

AGRICULTURAL OUTLOOK

December 1980

Economics and Statistics Service
United States Department of Agriculture



AGRICULTURAL OUTLOOK

December 1980/AO-61



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With the prime rate continuing to climb past its previous 20-percent record, weakness is beginning to show in the interest-sensitive automobile and housing sectors. . . Raising the possibility of a renewed dip into recession in early 1981.

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Economics Staff

Larry Van Meir and Lorna Aldrich (202) 447-2317

Managing Editor

Leland Scott (202) 447-8353

Editorial Staff

Shirley Hammond

Statistical Coordinator

Ann Duncan (202) 447-2319

Production Staff

Shawn Irving, Francina Edwards, Deborah Perrell, Neva Hayslett, Joan Bazemore and Linda Zeider.

For more information, contact:

Commodity Highlights—Don Seaborg or Bob Miller (202) 447-8376

Farm Income—Allen Smith (202) 447-4190

Food Prices—Paul Westcott (202) 447-8801

General Economy—Paul Prentice or Michael Salant (202) 447-2317

Marketing Costs—Leland Southard (202)

447-6860, or Denis Dunham (202) 447-8801

Transportation—Bill Gallimore (202) 447-6363

World Agriculture and Trade—Dewain Rahe or Sally Byrne (202) 447-9160.

Note: Contributing authors are listed, along with phone numbers, at the end of each article.

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In Brief... News of the 1981 Outlook

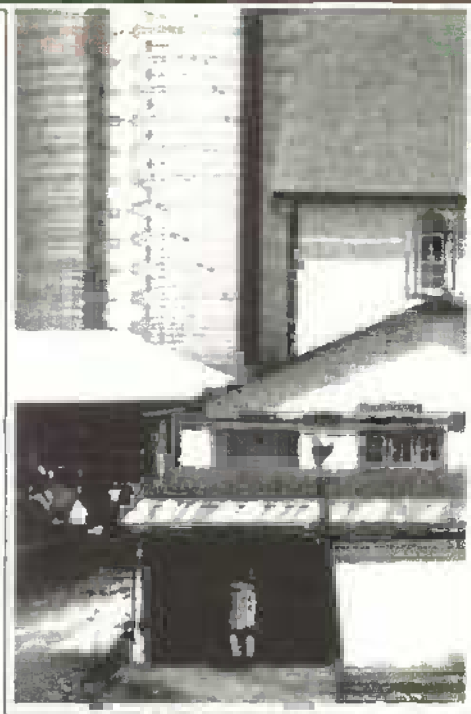
A downturn in the economy early next year may be in the offing if high interest rates continue to dampen the housing and auto sectors. Such a downturn probably would be modest and relatively short, followed by a sluggish recovery through the rest of 1981.

Higher farm prices are expected to result from tightening supply conditions for agricultural products. World grain consumption in the 1980/81 marketing year is projected to substantially exceed production, leaving yearend stocks low relative to use. A strong export market likely will reduce U.S. feed grain stocks by more than 50 percent. Livestock prices also will rise in 1981, primarily because of a sharp decline in pork production.

Net farm income (in current dollars) may recover the losses of 1980 in the coming year. Sharply higher prices for most commodities will be instrumental in raising farm cash receipts. If growing conditions are more normal next year, increased farm inventories would add to net farm income and also would partly offset the impact of rising input prices.

Retail food prices in 1981 are expected to rise 10 to 15 percent, with meat, poultry, and egg prices rising the most. The farm value component will contribute more to the increase in retail prices than it did in 1980.

Consumers shifted some expenditures for food away from home to food at home in 1979 and 1980. Food store sales averaged about 72 percent of consumer expenditures for domestically produced foods in these 2 years, up from 68 percent in 1977. Until 1977, the proportion of consumer expenditures spent for food at home had been trending downward for many years.



Crop production costs on a per-acre basis may average 10 to 13 percent higher next year than in 1980. However, if crop yields return to more normal levels in 1981, the increase in per-unit costs would be much less. Prices will rise next year for most farm inputs, with energy prices increasing the most. Farm credit is expected to be more readily available and at lower average interest rates than in 1980, when rates reached record levels in April and December.

Transportation services for agriculture generally will be adequate next year. Transportation requirements will be about the same as in 1980, but railroads and water carriers have increased their carrying capacity. However, some shippers served by the bankrupt Milwaukee and Rock Island Railroads may lack adequate rail service. Transportation requirements for the fall harvest were significantly below last year because of the drought-reduced corn, sorghum, and soybean crops.

Corn in farm-held reserve I was called when prices reached a 5-day average of \$3.26 a bushel in late October. Although corn prices have recently exceeded the call levels for reserves II and III at times, USDA has utilized an option to delay a call announcement. For the time being, not only will the 5-day average price have to exceed the call level, but the market price for each consecutive day will also have to exceed it.

The normal crop acreage requirements for 1981 crops have been suspended by an amendment to the USDA Appropriation Act for fiscal 1981. Therefore, farmers will be eligible for program benefits—target prices, crop loans, etc.—regardless of their planted acreage for 1981.

U.S. agricultural exports are expected to reach a record high \$48.5 billion in fiscal year 1981—a 20-percent gain over 1980's \$40.5 billion. About 80 percent of the increase will derive from higher prices. Export volume will rise this year for wheat and flour, feed grains, and rice, while declining for soybeans and products, tobacco, and cotton.

China and the United States signed an agreement in late October providing for the export of 6 to 8 million metric tons of U.S. grain to China each year beginning January 1, 1981. China can purchase an additional 1 million tons of grain without prior notification. The agreement specifies that 15 to 20 percent of the purchases must be corn and the rest wheat.



General Economy

Although indicators for the general economy have been strong in recent months, those for the interest-sensitive automobile and housing sectors are beginning to weaken. Depending on conditions in the financial markets, the economy could enter a renewed downturn, followed by sluggish recovery the rest of the year.

Housing starts in October rose slightly to 1.55 million units (annual rate), but new permits for future construction declined sharply. Housing starts are expected to decline soon because of rising mortgage interest rates. Auto sales increased following the introduction of new models, but sales have begun to decline in recent weeks. Although industry analysts blame high interest rates, the higher sticker prices are also a factor.

Total business inventories are not excessive with respect to sales, nor has there been any significant inventory accumulation for the last four quarters. High interest rates and the deteriorating outlook for final sales will likely prevent a rapid buildup in inventories.

Sluggish Recovery or Renewed Downturn?

The outlook for a sluggish recovery susceptible to a slight downturn depends largely on housing and auto sales. These, in turn, depend mainly on credit availability and interest rates in the financial markets.

The current sharp increase in interest rates is partly due to monetary tightening by the Federal Reserve Board, following very rapid monetary growth during the third quarter. As such, the increase likely will be a transitory phenomenon. If Federal Reserve policy is successful, interest rates could decline in early 1981. How long the high rates remain in effect may be more important than how high interest rates go. A lower peak that stays longer would be more damaging to autos and housing than a high peak of short duration.

Optimistic Longer-Run Outlook

Although the outlook during the early 1980's is for continued "stagflation", the outlook for the second half of the decade is somewhat more optimistic. If policies to stimulate savings and investment result in a more productive, energy-efficient capital stock, higher levels of real GNP and real incomes will be possible for a given level of capital, labor, and materials.

If the Fed continues to pursue a tighter monetary policy and fiscal policy is accommodating, the long-run outlook for inflation may also improve. Inflation can occur in the short-run because of transitory supply-demand shocks, but many believe that the persistence of inflation as a long-run phenomenon is largely dependent on monetary conditions. Because of the time lag required for a given monetary policy to affect the general price level, high rates of inflation will likely persist during the early 1980's, followed by a gradual decline later in the decade.

If labor continues to obtain wage increases in excess of productivity growth, tight monetary conditions will result in higher unemployment. In order to avoid short-run unemployment, complementary policies—voluntary or mandatory—may be adopted to try to break the wage-price spiral. [Paul T. Prentice (202) 447-2317]

1980 Chartbook Released

The *1980 Handbook of Agricultural Charts*—a graphic portrayal of trends in America's agriculture issued recently by USDA—includes 270 charts backed with a brief explanatory text and many supporting tables. Topics covered span the entire agricultural spectrum, from trends in population and rural development through commodities, trade, and farm income.

Single copies of the *1980 Handbook of Agricultural Charts* (A11-574) are available free, while supplies last, by writing to:

1980 Chartbook
USDA
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Washington, D.C. 20250

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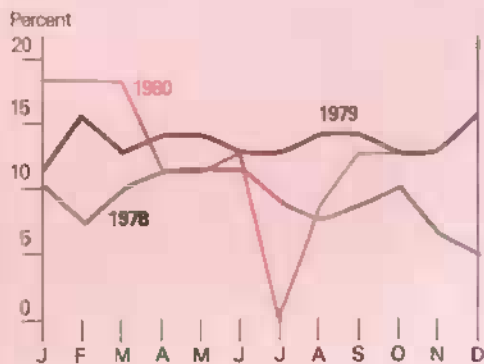
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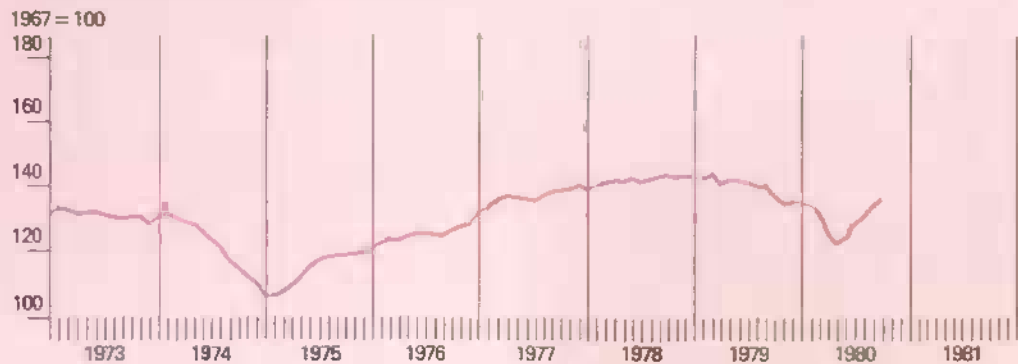
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General Economic Indicators

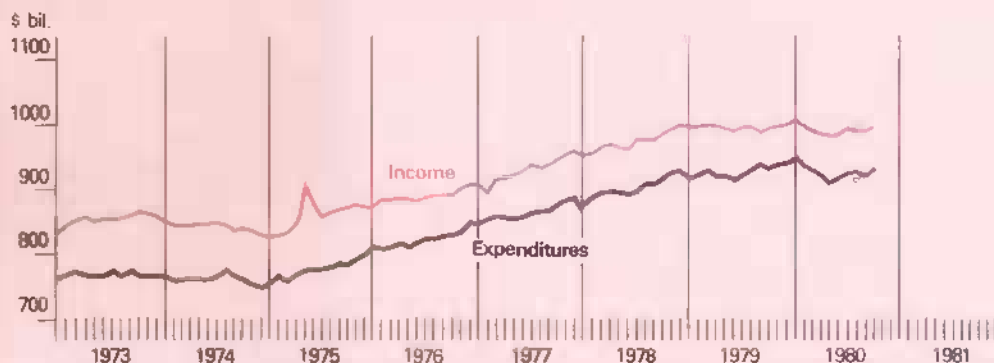
Consumer Price Index¹



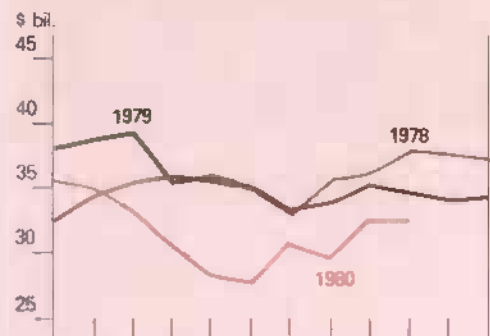
Composite Leading Economic Indicators



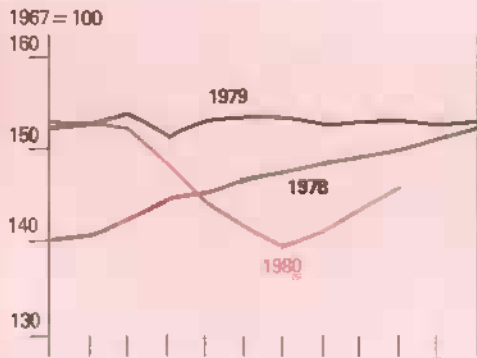
Disposable Income and Consumption Expenditures^{2,8}



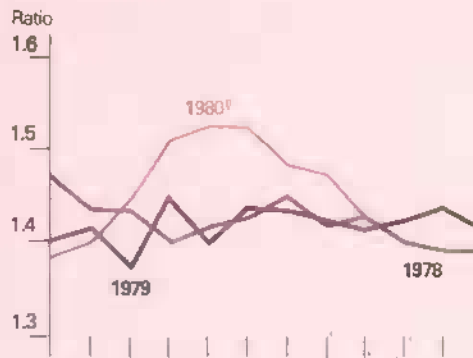
Manufacturers' Durable Goods Orders³



Industrial Production



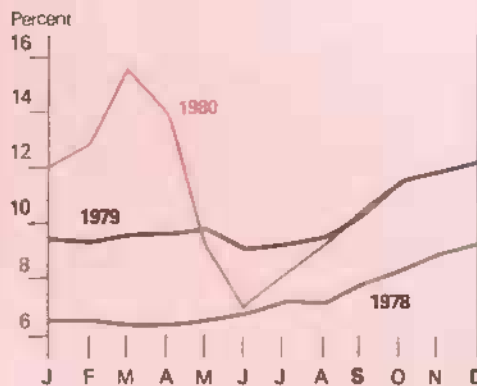
Inventory/Sales⁴



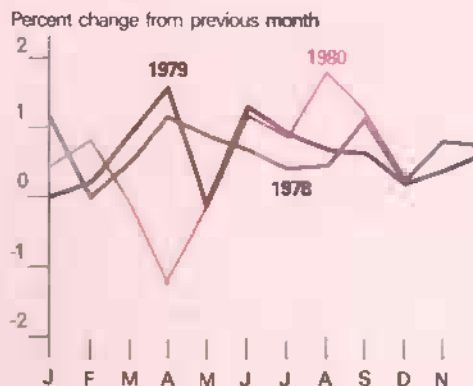
Unemployment⁵



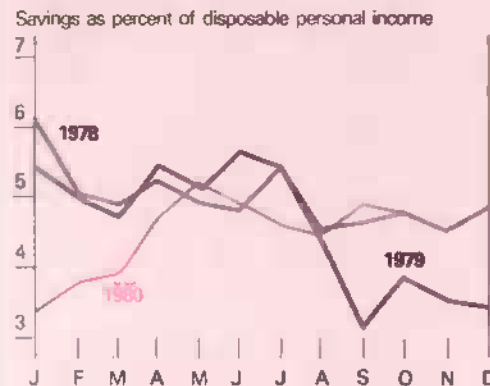
Treasury Bill Rate



Money Supply^{5,6}



Savings Rate^{7,8}

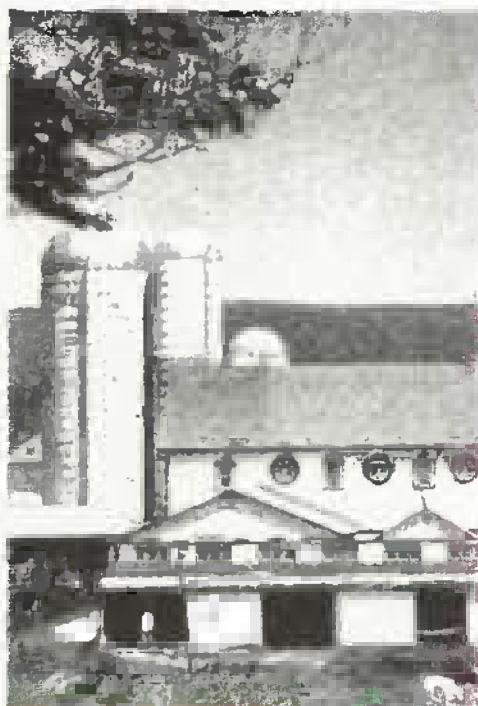


¹Percent change from previous month at seasonally adjusted annual rates. ²Billions of 1972 dollars, seasonally adjusted at annual rates. ³Billions of 1967 dollars (Current dollars deflated by seasonally adjusted producers price index for capital goods).

⁴Manufacturing and trade, seasonally adjusted at annual rates. ⁵Seasonally adjusted.

⁶Percent change in M1-B, September based on average for weeks ending October 1, 8,

and 15. ⁷Calculated from disposition of personal income in 1972 dollars, seasonally adjusted at annual rates. ⁸Estimate for October. Sources are the U.S. Department of Commerce, the U.S. Department of Labor, and the Board of Governors of the Federal Reserve System.



Agricultural Economy

Current prospects indicate higher prices and improved farm income in 1981—particularly during the first half of the year—largely because of tighter supply conditions. Prices during the second half will be influenced greatly by next year's crop prospects in the Northern Hemisphere. A sluggish general economy in the first 6 months will result in relatively stable, rather than increasing, real final domestic demand for agricultural products.

Tight Grain and Soybean Supplies

The most recent assessment of the world grain situation indicates a further tightening of supplies. World use of grains exceeded production in 1979/80, pulling ending stocks down almost 13 percent from 218.4 million metric tons (mmt) in 1979 to 191 million in 1980.

World grain production (wheat, coarse grains, and milled rice) for the 1980/81 marketing year is estimated at 1,401 mmt—1.5 mmt more than last year. Foreign grain production is up 36.7 mmt, thus offsetting the 35.3-mmt drop in U.S. output.

World use of grains in 1980/81 is expected to total about 1,440 mmt—up almost 1 percent from the 1,427 mmt consumed in 1979/80. Therefore, use is expected to exceed production by almost 39 mmt, leaving ending stocks at about 152 mmt. At this level world stocks would equal about 10.6 percent of annual consumption—about the same as the low point the stocks-to-use ratio reached in the mid-1970's.

The supply situation is considerably tighter for coarse grains than for wheat and rice. World use of coarse grains is expected to pull ending stocks in 1981 down to about 55 mmt, or about 7.5 percent of annual consumption. Ending stocks of wheat and rice next year are projected at about 97 mmt, almost 14 percent of world consumption in the 1980/81 marketing year.

World production of soybeans in 1980/81 is projected to drop sharply from last year's record, falling short of use during the year by about 5 mmt. Thus, ending stocks in 1981 will decline from the high level carried over from the 1979/80 marketing year.

World Grain Supply-Use

Year/Item	U.S.	World
Million Metric Tons		
Wheat		
1979/80		
Beginning Stocks	25.2	101.3
Production	58.3	419.9
Exports	37.4	—
Use	21.5	441.6
Ending Stocks	24.6	79.6
Stocks-to-use ratio . .		18.0
1980/81		
Beginning Stocks	24.6	79.6
Production	64.3	431.1
Exports	41.5	—
Use	22.7	440.3
Ending Stocks	24.7	70.4
Stocks-to-use ratio . .		16.0
Coarse Grains		
1979/80		
Beginning Stocks	46.1	89.2
Production	234.5	729.0
Exports	71.0	—
Use	157.3	730.4
Ending Stocks	52.3	87.8
Stocks-to-use ratio . .		12.0
1980/81		
Beginning Stocks	52.3	87.8
Production	192.7	706.1
Exports	74.1	—
Use	150.2	738.6
Ending Stocks	20.7	55.3
Stocks-to-use ratio . .		7.5

The world supply situation is expected to maintain a strong export demand for U.S. grains and soybeans. U.S. carryover stocks of feed grains and soybeans in 1981 are likely to be less than half the levels carried over in 1980.

In November, the index of prices received by U.S. farmers for all crops was 21 percent higher than a year earlier and 24 percent higher than the average for the first 6 months of 1980. Reflecting the tighter supply prospects, November farm prices for feed grains were 39 percent above a year earlier. Farm prices for food grains were up 12 percent from November 1979.

Current grain prices probably already reflect prospects for grain harvests in Australia and Argentina. The future course of prices depends on developments in the Southern Hemisphere.

During the first half of 1981, grain prices will be sensitive to planting and growing conditions in the Northern Hemisphere. If world crop prospects for 1981 do not improve considerably from 1980 outcomes, feed grain prices will be under severe upward pressure, with significant drawdowns of feed grain stocks.

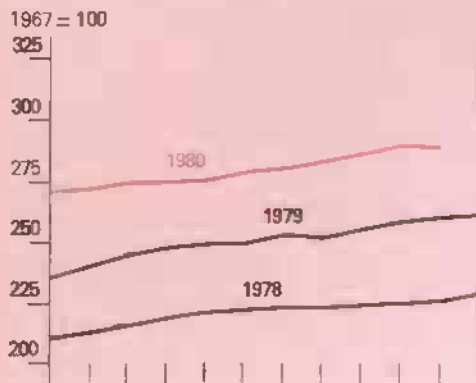
Livestock Supply Prospects Also Tight

The supply of meat and poultry products also will tighten during the first half of 1981, particularly in the second quarter. In November, prices received by farmers for all meat animals were almost the same as a year earlier, but 2 percent above the January-June 1980 average. Farm prices for poultry and eggs in November were 15 percent above a year earlier and 27 percent above the average for the first 6 months.

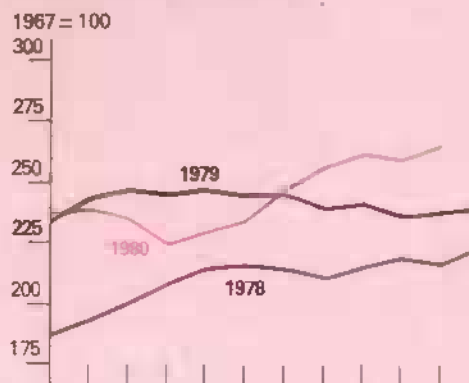
The tighter supply situation for livestock during the first half of 1981 will likely be accompanied by rising prices, especially for fed cattle and hogs. Consequently, farm prices for livestock and poultry will average substantially higher than a year earlier during this period.

Prime Indicators of the Agricultural Economy

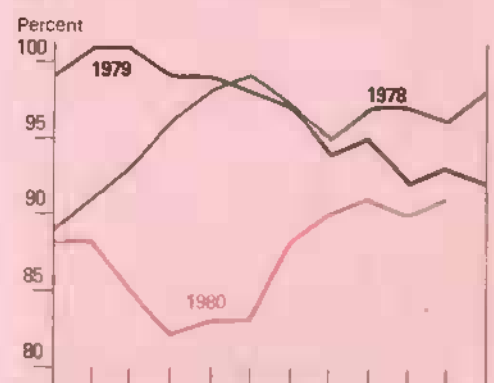
Prices Paid by Farmers¹



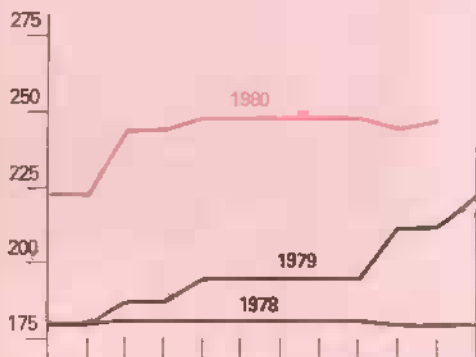
Prices Received by Farmers



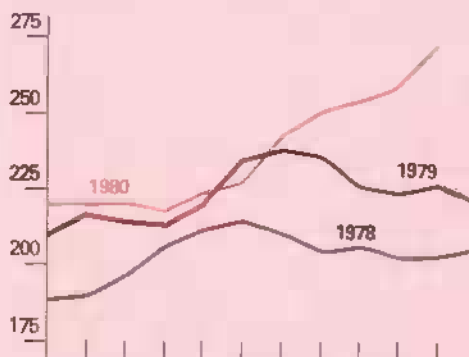
Ratio of Prices Received to Prices Paid



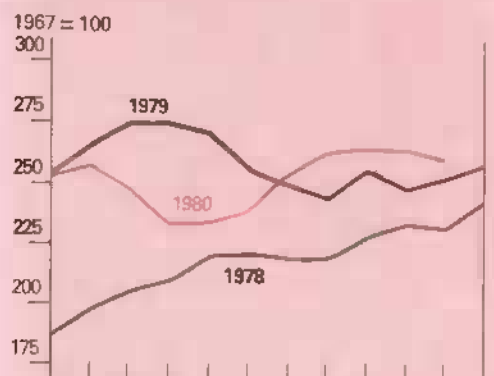
Fertilizer Prices



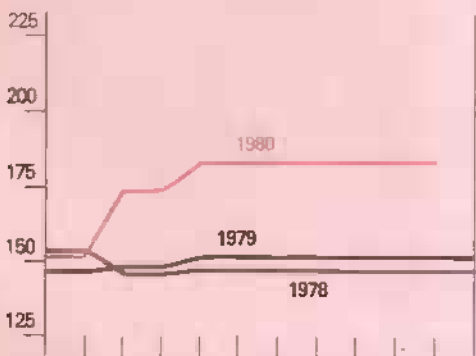
All Crops



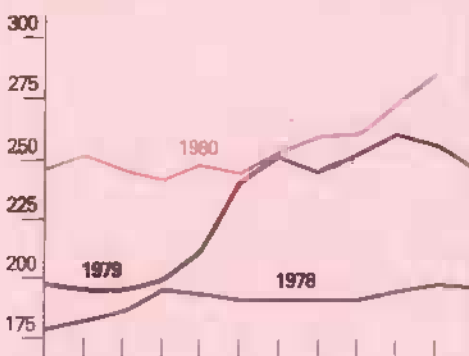
Livestock and Products



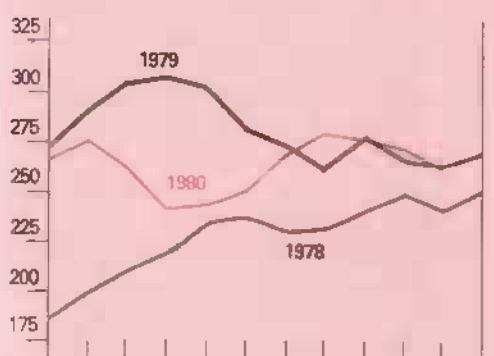
Agricultural Chemicals



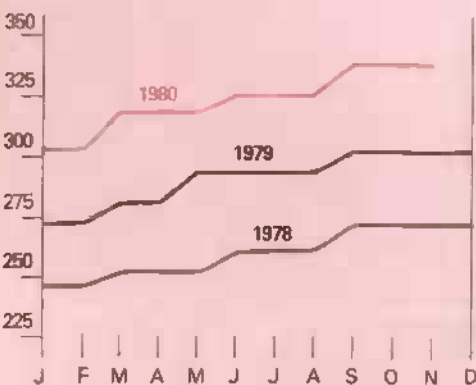
Food Grains



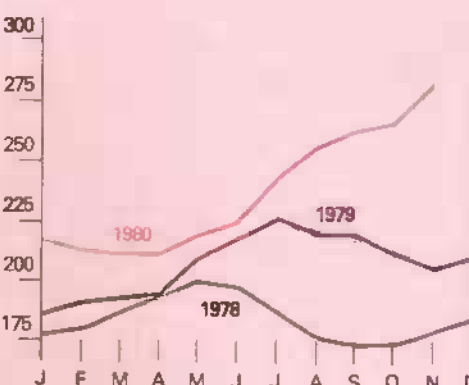
Meat Animals



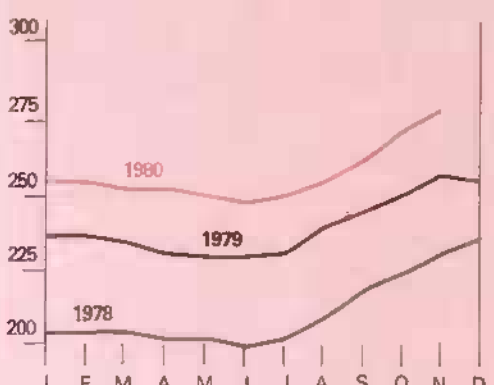
Tractors and Self-Propelled Machinery



Feed Grains and Hay



Dairy Products



¹For commodities and services, interest, taxes, and wages.

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1967=100.

LIVESTOCK HIGHLIGHTS

Cattle

Reduced total meat supplies could produce record-high cattle prices beginning in the second quarter of 1981. Feeder cattle producers and cattle feeders both face sharply higher production costs until at least the second quarter of next year.

Poor pasture conditions this summer and fall—due to drought in much of the Plains and Southeast—have forced many feeder cattle producers to begin supplemental feeding earlier this year. In addition, 1980's drought-reduced hay crop has caused hay prices to rise well above year-earlier levels. An unusually long, hard winter could force prices even higher. Cattle feeding costs also increased sharply this fall as grain prices approached record levels.

By next spring, rising fed cattle prices are expected to provide feeders with better profit margins. However, prices of feeder cattle, the largest feeding expense, are expected to increase sharply during the spring as the grazing season begins. Thus, with fed cattle prices not expected to increase much from their spring highs in the second half of 1981, feeders may again have narrow to possibly negative feeding margins in late summer and fall.

Choice fed steers at Omaha are expected to average in the lower \$70's per cwt. in the first quarter of 1981. Large supplies of fed beef and continued large nonfed slaughter through the winter will moderate price gains despite lower pork supplies. Prices may rise to near \$80 in the spring and remain in that price range throughout the second half. Yearling feeder cattle are expected to average in the mid-to-upper \$80's in 1981. Prices are likely to be highest in the second quarter as the grazing season begins and cattle feeding margins improve.

Beef production in 1981 will slightly exceed the 1980 level because of increased fed-cattle marketings. Nonfed steer and heifer slaughter will be well below 1980 levels in the second quarter, and with more normal grazing conditions should remain below these levels during the rest of the year.

U.S. per capita meat consumption in 1981 is expected to decline for the fifth straight year as population increases more than offset the slight rise in beef production. Large nonfed slaughter helped hold beef supplies up in 1980, but at the expense of 1981 consumption. Retail beef prices in 1981 may average \$2.70 to \$2.75 a pound, up from an estimated \$2.39 in 1980. (Ron Gustafson (202) 447-8636)

Hogs

Hog prices are expected to increase in 1981 because producers have reduced the size of their breeding inventories. By September 1, 1980, the breeding inventory was 10 percent smaller than a year earlier. The number of sows farrowing during June-November may also be down about 10 percent. This would result in a similar decline in pork output in the first half of 1981, with hog prices averaging near \$50 per cwt.—up nearly \$16 from a year earlier. Despite these higher prices, hog producers' returns may still be near their costs of production because of higher feed costs.

In the second half of 1981, hog prices will remain well above their 1980 levels because of reduced pork output. However, prices and production in the second half of the year are less certain at this time because producers still have time to change their production plans in response to changing costs and returns.

Retail pork prices will also increase sharply in 1981. The anticipated decline in pork output without offsetting increases in competing meat supplies, combined with moderate growth in nominal income, may cause pork prices to increase 25 percent or more from the 1980 average. (Ron Gustafson (202) 447-8636)

Dairy

Milk production for the first 10 months of 1980 was 3.3 percent above last year, reflecting gains in both output per cow and in cow numbers. During this period, output per cow averaged 2.3 percent more than a year ago.

The U.S. dairy herd, largely stable from January to April, expanded during the summer and continued to rise in October, when cow numbers stood at 10.9 million, the most since February 1978 and 89,000 more than last year. This increase resulted from an influx of replacement heifers as well as reduced culling rates.

For all of 1980, milk output will be about 3.3 percent larger than last year's 123.6 billion pounds. During 1981, less favorable milk-feed price relationships will likely limit gains in productivity per cow. However, milk cow numbers are almost certain to be above year-earlier levels for most of next year. Therefore, milk production can be expected to continue rising during 1981, although at a slower rate. Output will be up 1 to 3 percent to a record level. (Cliff Carman (202) 447-8636)

Broilers

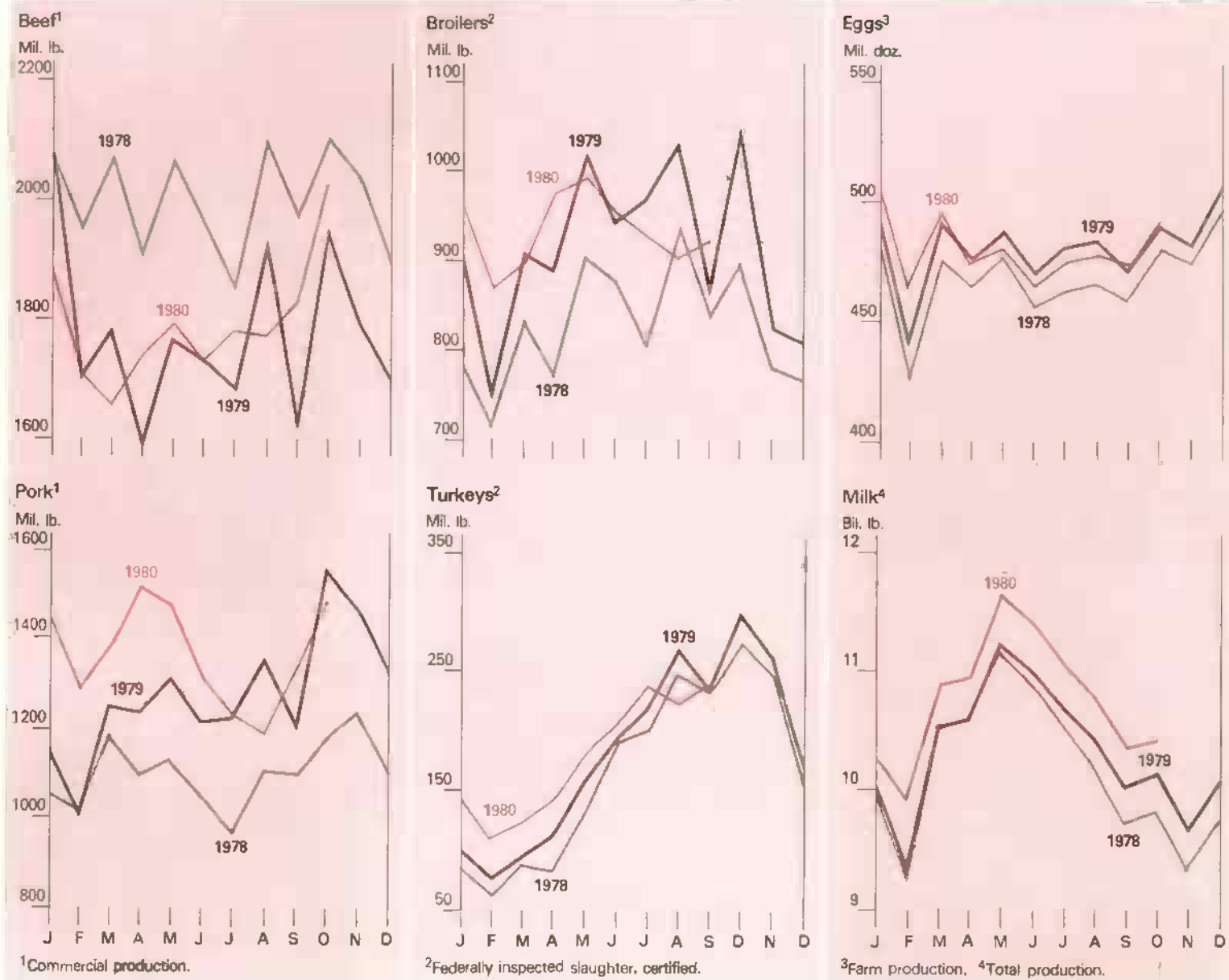
Improved returns in the third quarter of 1980, the downturn in pork production, increased export demand, and expected high demand for 1981 have encouraged broiler producers to expand output. On the other hand, the size of the hatchery supply flock and the high cost of feed are two factors that may limit the expansion.

The number of eggs set for January slaughter is about 6 percent greater than a year earlier. Producers' optimism about 1981 can also be seen in the 33-percent increase in hatchery supply flock placement that occurred in October, which begins to bring flock numbers back toward year-earlier levels. Consequently, broiler production in the first quarter of 1981 may be up 4 percent from a year earlier, with another 4-percent increase in the second quarter. Production may be up 6 percent for all of 1981.

Broiler prices are expected to strengthen next year as the economy recovers and pork supplies decline. Although producers may be in a loss position in the first quarter, prices are expected to be near costs as broiler producers enter their main marketing period in the second quarter.

The 9-city weighted average wholesale price for broilers may average 51 to 53 cents a pound in the first quarter of 1981, increasing to 53 to 55 cents in the second. These prices would be significantly above the 43- and 41-cent averages of the first and second quarters of 1980. In the second half of 1981, prices may average 55 to 58 cents a pound, dropping to the lower end of the range as demand weakens in the fourth quarter. (Allen Baker (202) 447-8636)

Supplies Update: Livestock and Products



Eggs

Egg production may decline slightly in 1981 as producers continue adjusting output to achieve a positive net return. Most of the decline will likely occur in the first quarter, with egg output equaling 1980 levels during the rest of the year.

In the fourth quarter of 1980, egg production may be near a year earlier, but indications point to a 1-percent decline during the next 6 months. The table egg flock is below year-earlier levels and, until well into 1981, fewer replacement pullets will be available. Because a high percentage of the flock has already been force-molted, producers are expected to increase culling if egg prices do not keep up with rising costs.

Egg prices have increased this fall and will continue strong in early 1981 before declining seasonally in the spring. Prices may average 76 to 78 cents a dozen in the first quarter, but then decline to the mid-70's in the spring. In the second half of 1981, if production is held at this year's levels, prices can be expected to average 78 to 82 cents a dozen. (Allen Baker (202) 447-8636)

Turkeys

While the number of turkeys slaughtered in the fourth quarter is expected to equal the year-earlier level, slaughter weights may be somewhat lower, so total production could be down about 1 percent. Higher interest rates, which increase storage costs, are expected to reduce the carryover of turkey this year relative to 1979.

Profitability improved in the second half of 1980 as increased turkey prices more than offset higher feed prices. The improved prospects have encouraged producers to hatch more turkey poults for slaughter in 1981. With total red meat production expected to decline during 1981, demand for turkey meat should remain high, and production could increase 6 percent from 1980. Output may be up 7 to 8 percent in the first half of the year.

With strong holiday demand, the wholesale price of young hen turkeys in New York may average 73 to 75 cents a pound, compared with 73 cents in the fourth quarter of 1979. Demand usually declines after the holidays, and prices weaken. With the expected increase in production, prices may average 67 to 70 cents in the first half of 1981, compared with 57 cents a year earlier. Increasing production costs may put turkey producers in a cost-price squeeze during this period.

As red meat output declines further in the second half of 1981, meat prices should strengthen. The wholesale price of young hen turkeys in New York may then average 75 to 77 cents a pound. (Allen Baker (202) 447-8636)

CROP HIGHLIGHTS

Soybeans

With this year's short soybean crop, prices will average much higher than last year in order to ration use. However, price developments will also depend on the demand for beans, meal, and oil in the major consuming markets.

In the domestic market, soybean crushings are expected to decline as demand for meal weakens in response to a substantial decline in pork output and little increase in broiler production. In addition, higher meal prices could cause meal feeding per animal unit to slow.

U.S. soybean exports are anticipated to decline in fiscal 1981 because of short domestic supplies, weaker demand in some key importing countries, and increased export supplies in Brazil and Argentina. Soybean meal exports are expected to fall 17 percent, while soybean exports may decline 6 percent. A buildup in foreign oil supplies will also limit export prospects for soybean oil.

Although demand prospects have diminished somewhat, consumption will exceed the short U.S. crop and draw down stocks sharply, raising prices throughout the soybean complex. Soybean prices in mid-November were \$8.42 a bushel at the farm, up a third from a year earlier; but prices have declined in recent weeks and will be influenced by

the prospects and outcome of the Southern Hemisphere crops now being planted. The farm price of soybeans is expected to average around \$8.60 a bushel in 1980/81, up from \$6.25 last year. (Leslie Herren (202) 447-8444)

Feed Grains

Feed grain supplies in 1980/81 will be well below year-ago levels. While carryin stocks were somewhat larger, the hot, dry summer reduced 1980 production by 18 percent to 192 million tons. As a result, supplies total just over 244 million tons, almost 13 percent less than last season.

At the same time, grain consumption is expected to be record large this year. Although feed use is expected to decline somewhat because of reduced pork production, domestic use of feed grains for food and industrial purposes will be up substantially as more corn is used for gasohol and sweeteners. Exports of feed grains are projected at over 74 million tons, up 4 percent from last year's record. Contributing to this increase is the sizable decline in the Soviet grain crop.

With record disappearance and reduced supplies, the carryover of feed grains is expected to be nearly 21 million tons—60 percent less than last year and just over 9 percent of total utilization. With lower ending stocks, record prices are anticipated for each of the feed grains. Corn prices at the farm are expected to average \$3.35 to \$3.75 a bushel in 1980/81, up from \$2.50 last season. (Walter Spilka (202) 447-8776)

Wheat

The 1980 wheat crop developed through a variety of conditions, from drought to excessive rains, but reached a record 2.36 billion bushels, 10 percent larger than last year. On the strength of this crop, total 1980/81 supplies rose to 3.3 billion bushels, also the largest ever.

The price-dampening effects of the larger wheat supply have been more than offset by prospects for record disappearance—particularly strong exports—coupled with cautious farmer marketing and reduced feed grain and oilseed supplies. Wheat in the farmer-owned reserve was released in late October when farm prices reached \$4.20 a bushel. For the season, the farm price is expected to average between \$3.95 and \$4.25 a bushel, compared with 1979/80's \$3.82.

Expectations of another banner U.S. export year were heightened further when China's import requirements were revised upward and it became apparent that Southern Hemisphere countries would have reduced exportable supplies. Thus, U.S. wheat exports in 1980/81 are expected to top 1.5 billion bushels for the first time.

U.S. domestic use may rise slightly because of an expected expansion in wheat feeding and continuing growth in food use. Since total 1980/81 disappearance will absorb most of the record crop, end-of-season stocks will remain close to last June's 903 million bushels.

With current prospects pointing to higher price levels next season and with no set-aside requirements for the 1981 crop, producers are likely to expand their plantings—possibly to a record acreage. (Note: The first estimate of this year's winter wheat plantings was published in the Crop Reporting Board's Small Grains report, issued December 23—after AO's press date.) (Allen Schienbein (202) 447-8776)

Rice

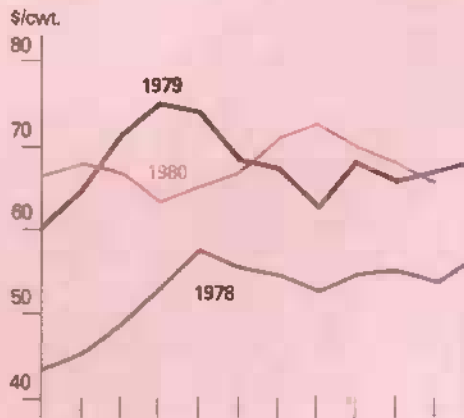
Although last summer's drought was the worst ever in southern U.S. rice-producing areas, a record harvested area of 3.3 million acres more than offset reduced yields. The 1980 rice crop reached a record 146 million cwt., pushing total supplies for 1980/81 to a record 172 million—5 percent higher than a year ago.

Strong world demand and ample U.S. supplies suggest 1980/81 rice exports will increase to an all-time high of 94 million cwt., exceeding last season's level by about 10 million cwt. Growth in traditional markets and expanded shipments to South Korea are expected. Domestic consumption is projected to increase mostly in response to population growth.

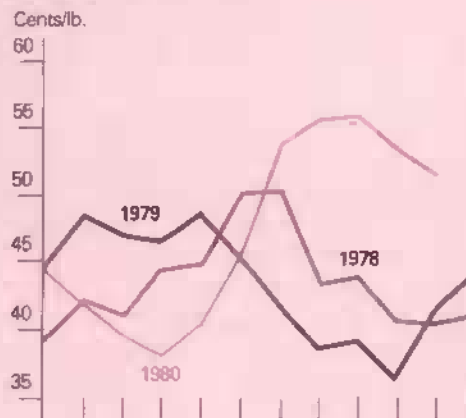
Prospects for expanded rice disappearance next year point to a slight decline in year-end stocks. Consequently, farm prices are expected to average between \$10.50 and \$11.50 per cwt., compared with \$10.50 in 1979/80. (Bruce Wright (202) 447-8776)

Commodity Market Prices: Monthly Update

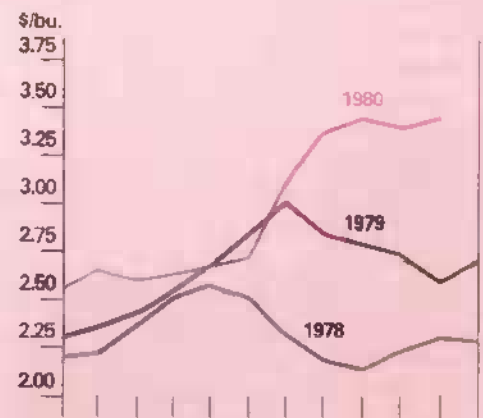
Choice Steers¹



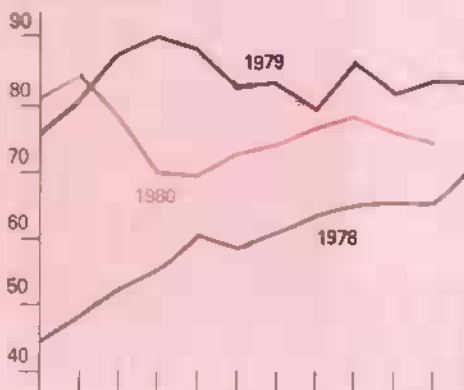
Broilers⁴



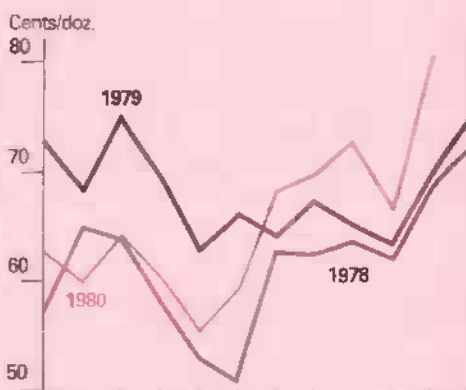
Corn⁸



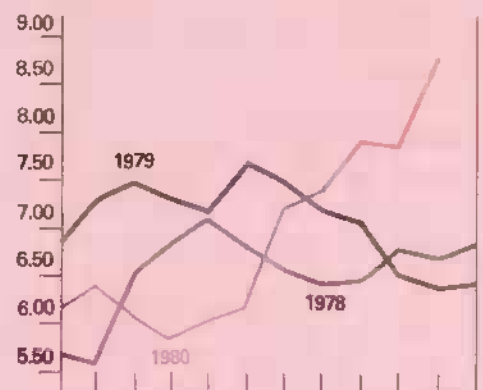
Choice Feeder Cattle²



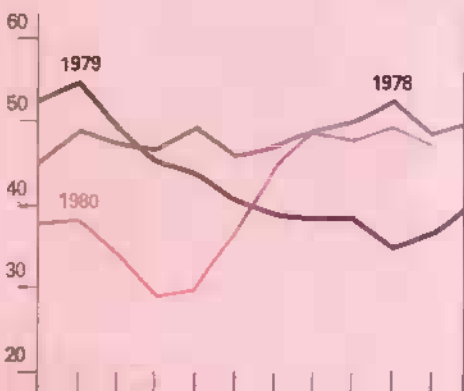
Eggs⁵



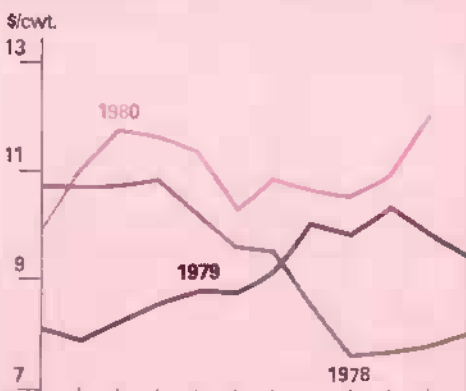
Soybeans⁹



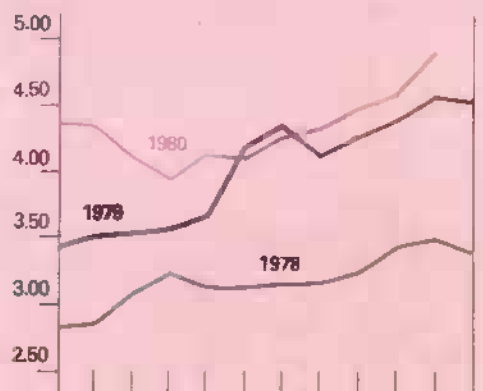
Barrows and Gilts³



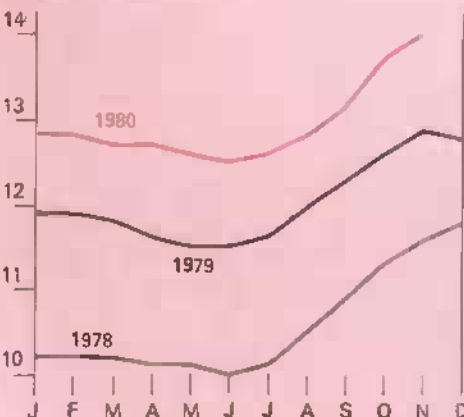
Rice (Rough)^{6,7}



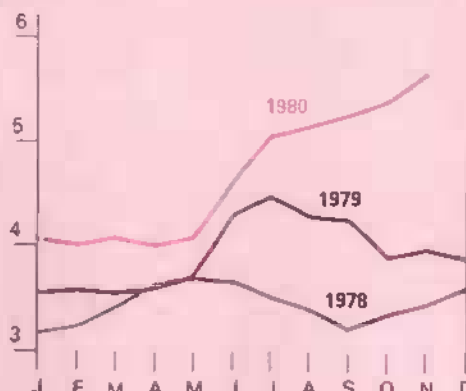
Wheat¹⁰



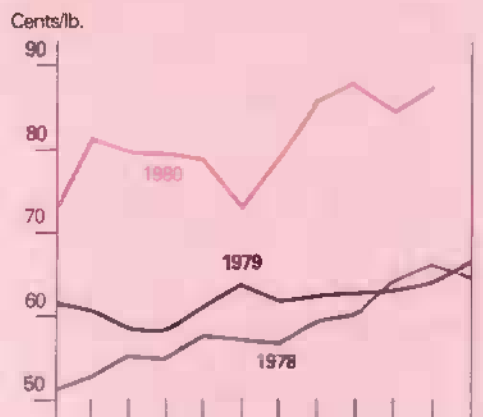
All Milk⁷



Sorghum Grain⁷



Cotton¹¹



¹Omaha. ²600-700 lbs., Kansas City. ³7 markets.

⁴Wholesale, New York. ⁵Grade A Large, New York.

⁶November is first half of month average.

⁷Farm prices.

⁸No. 2 Yellow, Chicago. ⁹No. 1 Yellow, Chicago.

¹⁰No. 1 HRW, Kansas City.

¹¹Average spot market, SLM, 1-16"

Cotton

A continuing tight supply-demand balance is in prospect for U.S. cotton during 1980/81. Supplies are down sharply from last season because of lower beginning stocks and a smaller crop. Expected disappearance of 11.5 million bales is also well below last season's level but still 0.6 million above estimated production. Yearend carryover stocks are likely to dip slightly below the beginning level of 3 million bales.

U.S. cotton exports this season are forecast at 5.5 million bales, down from last season's unusually high 9.2 million. Factors behind the anticipated decline include increased foreign cotton production, sluggish world textile activity, and reduced U.S. export availability. U.S. cotton is currently priced 5 to 7 cents a pound above competing exporters' prices.

Domestic textile mills are expected to use around 6.0 million bales of cotton this season, down from 6.5 million in 1979/80. Cotton use is likely to slip because of tight cotton supplies, relatively high cotton prices, and increasing inventories of cotton products.

The expected close balance between cotton production and use suggests that prices in 1981 will be particularly sensitive to changes in production prospects and economic conditions. Reflecting these tight supplies, world cotton prices are around 25 percent above a year earlier.

The acreage planted to cotton in 1981 could decline around 5 percent, based on current price relationships among cotton, soybeans, and grain sorghum. If this occurs, average yields would result in supplies remaining tight throughout the 1981/82 season. (Sam Evans (202) 447-8776)

Tobacco

U.S. tobacco use in the current marketing year (which began July 1 for flue-cured and October 1 for burley) may fall below last season, but still exceed the 1.8-billion-pound 1980 crop. Consequently, next summer's carryover will likely drop a little from the 3.3 billion pounds carried into 1980/81.

Domestic tobacco supplies for 1980/81 are 2 percent smaller than last season. Beginning stocks were down 9 percent, but the 1980 crop rose 17 percent because of increased acreage and yields.

Calendar 1980 cigarette output is running 1 percent above last year, as both exports and domestic use are stabilizing. Further gains in adult population will likely maintain total cigarette sales in 1981.

The flue-cured tobacco supply in 1980/81 is up 1 percent from last year, reflecting the larger crop. With marketings above indicated use, the mid-1981 carryover is estimated to rise around 30 million pounds from the 1.97 billion of a year earlier. The sizable loan stocks of downstalk tobacco remaining from older crops were augmented by considerable amounts of immature, lower-grade tobacco from the 1980 crop.

The burley tobacco supply for 1980/81 is 1.58 billion pounds, 5 percent below last season and the lowest since 1950. Because the 1979 crop fell short of last season's utilization, carryover was down on October 1. The 1980 crop is forecast at 549 million pounds, almost a fourth above 1979's disease-reduced harvest. Burley auctions opened November 24 at a record \$1.66 a pound, 22 cents above the previous year's opening. About three-fourths of the crop is expected to sell before Christmas.

Imports accounted for 31 percent of U.S. manufacturers' tobacco use last marketing year—30 percent of use in cigarettes and 40 percent in cigars and other products. January-September imports for consumption (factory use) were 2 percent above a year ago. This calendar year's total (including the new customs category for scrap tobacco) will slightly exceed last year's 384 million pounds. A similar high level may be seen in 1981. (Robert H. Miller (202) 447-8776)

Sugar

Despite high prices, U.S. sugar production is expected to increase only moderately in 1981. Sugarbeet acreage is likely to expand, but the expansion will be limited by lack of processing capacity. Beet sugar output may be up 5 to 10 percent, while cane sugar production may just approximate the 1980 level.

The world (International Sugar Agreement) price for raw sugar will average about 30 cents in 1980, up from 9.7 cents in 1979. Prices exceeded 40 cents a pound in early November before sliding back to about 30 cents in early December. However, prices are expected to strengthen over the next several months because of continued tightening of the world supply-demand balance. Prices could ease in 1981, depending largely on prospects for 1981/82 world sugar output and on how consumption responds to prices.

U.S. raw sugar prices closely follow world prices. This year, even if 1981/82 world production and consumption come into approximate balance, the domestic price (c.i.f. duty-paid, New York) is still likely to average near 40 cents a pound, compared with about 32 cents for calendar 1980. However, if 1981/82 prospects indicate a further decline in world stocks, the U.S. raw sugar price would likely average near 50 cents a pound.

This year, retail prices for refined sugar in the United States are likely to average 37 to 38 cents a pound, up from 24.9 cents in 1979. Retail prices in 1981 may increase further, the extent depending on what happens to world and domestic raw sugar prices.

U.S. sugar consumption is expected to drop to about 10.2 million short tons (raw value) in 1981, down 200,000 tons from 1980. This implies that per capita consumption of refined sugar in 1981 will be around 85 pounds, down from 1972's peak of 103.

Much of sugar's consumption decline is due to the rapid adoption of high fructose corn sirup (HFCS), particularly since 1977. HFCS consumption per capita is estimated at about 18 pounds in 1980, up from about 10 in 1977. In 1981, HFCS consumption is forecast at about 21 pounds per capita, depending on the HFCS industry's capacity. (Robert Barry (202) 447-7290)

Coffee

World coffee prices will be under considerable downward pressure in 1981 because of anticipated larger supplies. Brazil's coffee production, about a fourth of the world total in 1980/81, could rise 30 to 40 percent next season. (Fred Gray (202) 447-7290)

Fruit

Ample supplies of fruit are in prospect for 1980/81. Production of both citrus and non-citrus fruits is expected to be record large. Carryover stocks of most processed items are also expected to be moderately to substantially larger than a year ago.

The December 1 forecast of the 1980/81 citrus crop indicates a record 16.6 million tons, slightly higher than last year. Another record orange crop is in prospect, primarily because of record production in California. The Arizona-California lemon crop, largest since 1973/74, is forecast up 39 percent from last season. However, the grapefruit crop is expected to be slightly smaller.

The 1980 output of 10 major noncitrus fruits is forecast at 13.0 million tons, 3 percent above last year and 11 percent larger than in 1978. Large crops of apples, grapes, and prunes and plums are primarily responsible.

The record citrus crop combined with larger supplies of fresh noncitrus fruit and most processed items will result in lower grower prices for most fruits. The index of prices received by growers for fresh and processing fruit in 1980 is expected to average about 14 percent below 1979. It will likely remain moderately lower than a year earlier through the first half of 1981.

Continued increases in marketing costs will keep retail prices for fresh fruit above a year earlier during the fall and winter. For 1980, the retail price index for fresh fruit is likely to average 6 percent above 1979, a more moderate rate of increase than in recent years. During the first half of 1981, retail prices are expected to average moderately higher than a year earlier. (Ben Huang (202) 447-7290)

Vegetables

The acreage for fall production of 14 major fresh market vegetables is estimated to be 1 percent less than last year. Thus, based on average yields, production of these vegetables is projected at 45.5 million cwt., 4 percent less than a year ago.

The area contracted for production of 7 major processing vegetables in 1980 is estimated at 1.3 million acres, down 12 percent from 1979. Raw tonnage production under contract will be around 9.8 million tons, about 15 percent less than last year.

Reflecting the reduced production, prices paid to growers for fresh market vegetables will advance this winter and average substantially higher than a year ago. Likewise, retail prices for both fresh and processed vegetables will be moderately to substantially higher than a year ago through at least the first half of 1981. (Jules Powell (202) 447-7290)

NET FARM INCOME

Net farm income should substantially improve in 1981 as gross farm income is expected to rise more than production expenses. Total cash receipts from farm marketings could be 9 to 14 percent above 1980 levels. Crop receipts could be up 6 to 12 percent as increased prices, spurred by reduced supplies and strong export demand, more than offset smaller marketings from the short harvest. Livestock cash receipts could move up 12 to 16 percent from 1980 levels as prices increase in response to expected declines in total red meat and poultry production.

Production expenses in 1981 are expected to rise 10 to 13 percent, with inputs of farm origin (feeder livestock, feed, seed) contributing significantly to the increase. Petroleum-based inputs (fuel, fertilizer, chemicals), which are gaining a larger share of the expense dollar, will also register substantial price gains.

The current forecast of 1981 net farm income (after inventory adjustment) is \$27 to \$32 billion. This forecast assumes next year's weather will exhibit more normal variability than 1980's, leading to larger total crop production. Larger crops, coupled with gains in the cattle inventory, suggest the value of the change in inventories will contribute \$1 to \$2 billion to net farm income. With higher prices likely—at least during the first half—Government payments are expected to be about the same as in 1980.

Because reduced production generally is more than offset by price increases—so that cash receipts are higher—net farm income would probably reach the high end of the forecast range if crops are short again next year. Conversely, bumper crops—which would moderate prices and tend to lower crop receipts—would likely put net farm income at the lower end of the forecast range. (Gary Lucier (202) 447-4190)

Upcoming Crop Reporting Board Releases

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the January/February *Agricultural Outlook* comes off press.

December

- 26 Farm Numbers
- 28 Commercial Fertilizers
Dairy Products
Agricultural Prices

January

- 5 Poultry Slaughter
- 8 Turkeys
Vegetables
- 9 Crop Production
- 13 Noncitrus Fruits & Nuts (Annual)
- 14 Crop Production (Annual)
Popcorn
Potato Stocks
- 15 Honey (Annual)
- 16 Milk Production
- 19 Cattle on Feed
- 21 Cold Storage
- 22 Crop Values
- 23 Livestock Slaughter
Peanut Stocks & Processing
Sugar Market Statistics
- 26 Grain Stocks
Rice Stocks
- 27 Sheep & Goats
- 28 Commercial Fertilizer
- 29 Eggs, Chickens, & Turkeys
Layers & Egg Production (Annual)
- 30 Cattle
Agricultural Prices

February

- 2 Poultry Slaughter
Dairy Products
- 11 Crop Production
- 12 Milk Production
- 13 Cattle on Feed
Potato Stocks

To start receiving any of these reports, send your name, address, and zip code to: Crop Reporting Board, USDA, Room 0005-South Building, Washington, D.C. 20250. Ask for the report (s) by title.

NOTE: USDA's Crop Reporting Board will issue a Prospective Plantings report this January. Release is set for January 21.



Food and Marketing

After tempering overall inflation during the first 6 months of 1980, food prices began to aggravate it in the second half—a trend that will continue in 1981. For all of 1980, retail food prices will average 8.6 percent higher than the year before—the smallest annual rise since 1977.

In 1981, food prices are expected to rise 10 to 15 percent, with the annual rate exceeding 10 percent in the first 2 quarters of the year. Taking into account production prospects, consumption requirements, marketing costs, and the macroeconomic outlook, the current assessment indicates a 1981 food price increase of about 12 percent. As in the second half of 1980, the farm value component of food prices will be an important source of rising retail prices. With meat production likely to fall in 1981, the farm value is expected to rise 12 to 20 percent.

The farm-to-retail spread, representing about two-thirds of the cost of food, is forecast to rise 9 to 11 percent, about the same as the general inflation rate. The spread reflects the cost of labor, packaging materials, transportation, energy, profits, taxes, rent, depreciation, advertising, and numerous other inputs used in processing and distributing food.

1981 FOOD PRICE PROSPECTS:

Meat, Poultry, and Eggs To Lead Price Rise

The main sources of food price inflation in 1981 will be meat, poultry, and eggs. Because of losses experienced in the second half of 1979 and the first half of 1980, hog producers have planned production cutbacks that will lower pork production in 1981 by about 8 to 10 percent. With only slight increases in beef and poultry production, per capita supplies of meat and poultry will be down 2 to 4 percent from 1980's level. Thus, retail prices for these foods are anticipated to rise 15 to 20 percent.

Increased demand for eggs, as consumers substitute eggs for meats and poultry, along with slightly smaller production will push retail egg prices up about 17 percent from this year's relatively low levels.

Prices for dairy products in 1981 are expected to rise slightly faster than this year, with increased price supports and rising marketing costs again the major causes. Production will again exceed utilization as both rise marginally from 1980 levels. The resulting addition to stocks, however, will be less than in 1980.

Fruit and Vegetable Prices:

A Mixed Outlook

Fruit and vegetable price are a source of uncertainty in the forecast because of their sensitivity to weather developments. Citrus production is especially dependent on growing conditions in Florida and the Southwest. At present, fruit prices are forecast to rise only moderately in 1981 because of anticipated record production. Furthermore, supplies of most canned and frozen fruits are larger than a year ago. Frozen concentrated orange juice supplies are especially large and will grow further as the new citrus crop is harvested.

Smaller supplies of most vegetables are expected to cause faster price rises in 1981 than in 1980. In response to the relatively low farm prices of the last 2 years, potato acreage this fall was the smallest in 15 years. The resulting supply decline will keep retail potato prices relatively high at least until next fall's harvest.

This fall, fresh market production of 14 major vegetables was 4.5 percent lower than last year. This includes declines for lettuce (down 4 percent), tomatoes (down 3.5 percent), and carrots and cabbage (each down

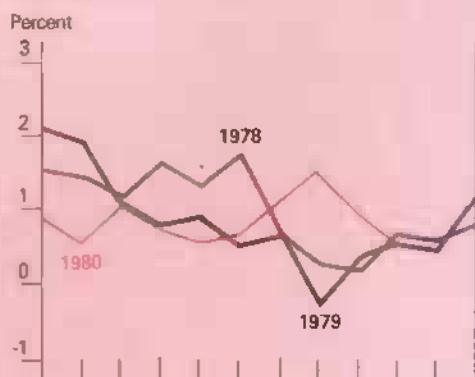
Retail Food Price Changes, 1978 to 1981

Food Category	1978	1979	1980	1981
				Forecast
		Percent Change		
All Food	10.0	10.9	8.7	12.2
Food Away From Home	9.0	11.2	10.0	10.4
Food At Home	10.5	10.8	8.1	13.0
Meats	18.7	17.0	3.5	17.9
Beef and Veal	22.9	27.3	6.4	13.5
Pork	12.9	1.5	-2.6	27.6
Other Meats	17.8	14.7	4.1	17.5
Poultry	10.3	5.0	4.1	18.0
Fish and Seafood	9.5	9.8	9.2	9.6
Eggs	-5.5	9.5	-3.1	16.9
Dairy Products	6.7	11.6	10.2	10.7
Fats and Oils	9.5	8.0	6.7	11.0
Fruits and				
Vegetables	11.1	8.0	7.0	8.0
Sugar and Sweets	12.2	7.8	22.4	21.6
Cereals and Bakery Prods.	8.9	10.1	11.9	10.9
Nonalcoholic Beverages	5.7	5.0	10.8	12.0
Other Prepared Foods	8.0	10.1	10.9	10.3

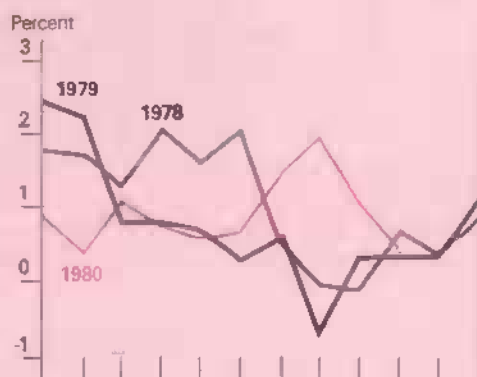
Based on the Consumer Price Indices, All Urban Consumers; Source of historical data: Bureau of Labor Statistics; Forecast data estimated by U.S. Department of Agriculture.

Food and Marketing Indicators

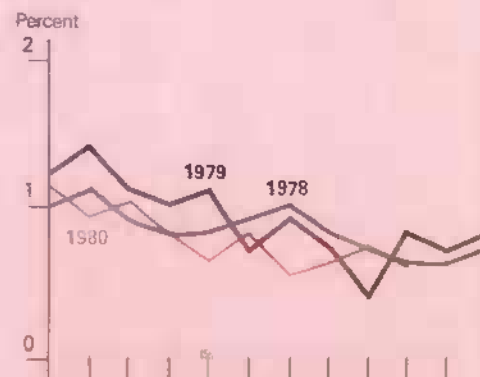
CPI: Total Food[○]



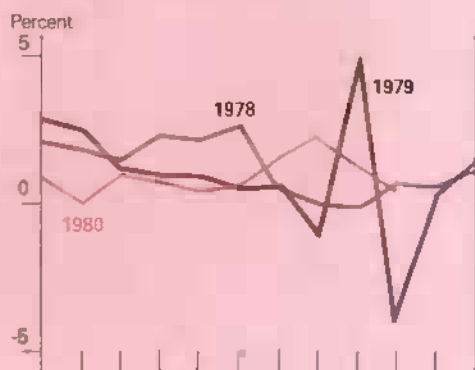
CPI: Food at Home[○]



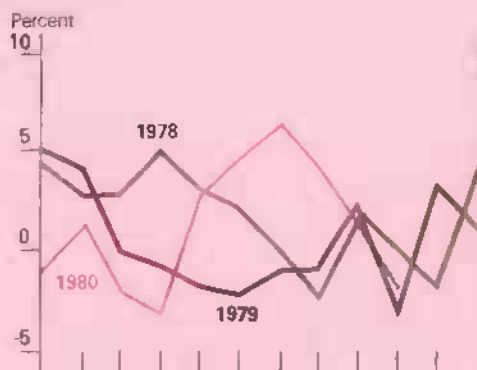
CPI: Food Away from Home[○]



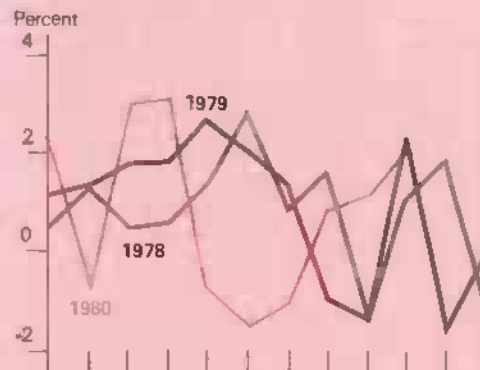
Farm Food Market Basket



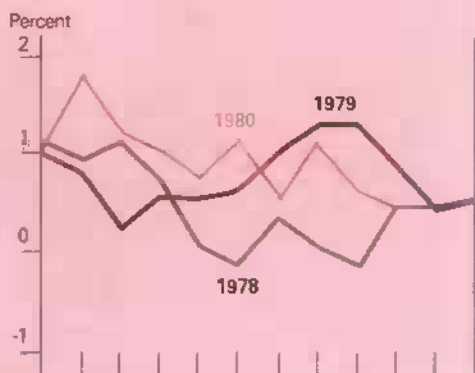
Farm Value



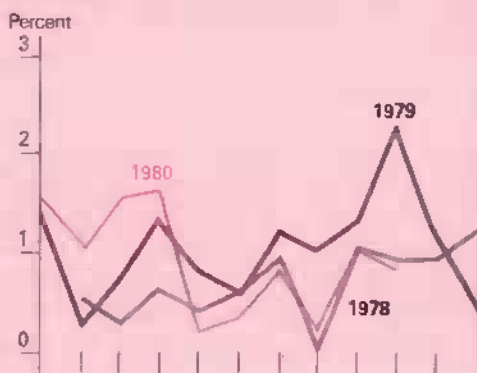
Farm-to-Retail Spread



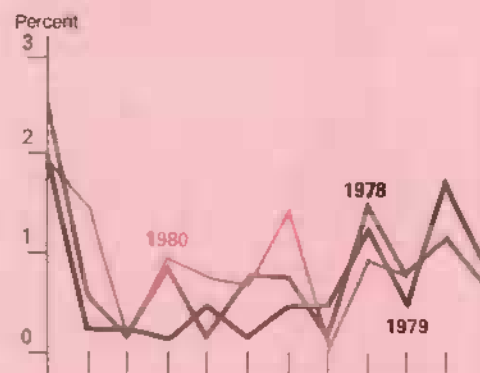
Imported Food and Fishery Products



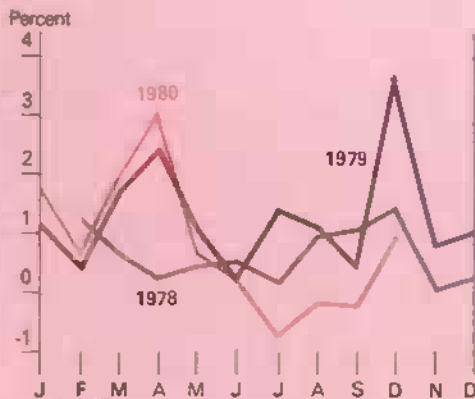
Marketing Cost Index



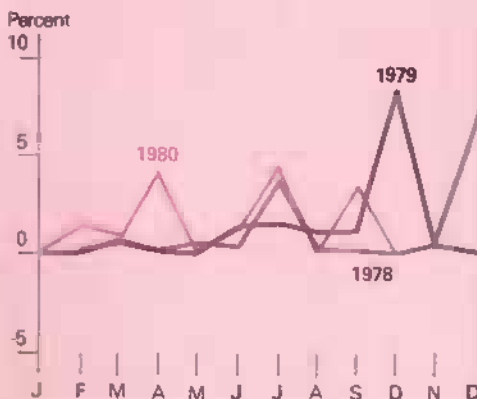
Labor



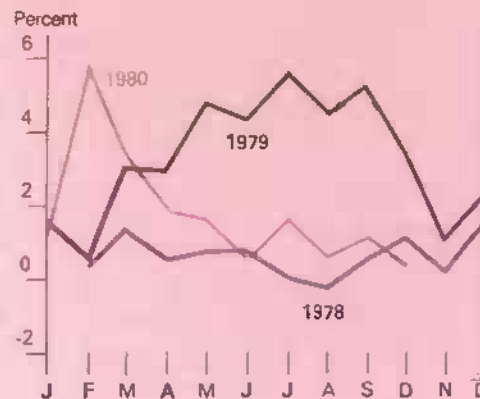
Packaging



Rail Freight Rates



Energy



[○]CPI unadjusted.

All series expressed as percentage change from previous month.

more than 10 percent). The acreage contracted for processing vegetables was reduced because large supplies last year and earlier this year lowered grower and processor prices. As a result, production of processed lima beans, beets, corn, and tomatoes will decline sharply in 1981.

Bigger Increases in Store for Fats and Oils
Drought-damaged yields and reduced acreage will cause retail prices for fats and oils to rise faster in 1981 following 1980's relatively small increase. Large carryover stocks from the 1979 crop will only partly compensate for lower production of the major oilseeds (soybeans, peanuts, cottonseed, flaxseed, and sunflower). The severely damaged peanut crop will lead to sharply higher prices for peanut butter. In addition, lard output will likely fall in 1981 because of reduced hog production.

Sugar and Sweets Prices to Continue Sharp Rise...

Prices for sugar and sweets are likely to show another substantial rise, the magnitude of the increase depending on 1980/81 global sugar production. Information on crops in the USSR and Cuba is limited, and it is uncertain how much of its sugarcane Brazil plans to devote to ethanol production. Nevertheless, world sugar production is expected to fall short of consumption for the second consecutive year.

Cuba's sugarcane crop, damaged last year by rust disease, is likely to decline further next year. Adverse weather is limiting prospects for sugarbeet production in the USSR and Europe and for sugarcane production in Thailand and South Africa.

... Affecting Prices of Soft Drinks and Bakery Products

Prices for cereals and bakery products and for nonalcoholic beverages may rise more than the general inflation rate in 1981. To a large degree, these prices will be affected by marketing costs, although the higher sugar prices will raise prices of soft drinks and some bakery products. Higher prices will also be passed through to retail cereal and bakery products. [Paul Westcott (202) 447-8801]

MARKET SHARES AND EXPENDITURES IN 1980

Food Stores and Public Eating Places

Food stores' share of dollars spent on domestically produced farm foods stabilized at around 72 percent during 1979 and 1980—a recovery since 1977, when their share had declined to 68 percent. The larger market share reflects less spending for food away from home by consumers pinched by the rapid rise in gasoline prices and slow growth in real incomes.

Food stores sold 72 percent of the \$245 billion of domestically grown farm foods in 1979, with public eating places selling 23 percent. The remaining 5 percent was marketed through institutions such as schools, hospitals, and prisons.

In 1980, the market shares of food stores, public eating places, and institutions probably changed little. Food stores saw growth in volume during 1980, while eating and drinking places saw a slight decline. The current dollar sales of domestically produced foods increased at about the same rate. Substitution of domestic products, such as beef, for imported items and a relatively larger increase in retail prices for away-from-home foods probably offset the real growth experienced by food stores.

Meats Take Greater Share of Away-From-Home Dollar

However, the away-from-home dollar accounts for more red meat sales than the food-at-home dollar. In the at-home market (food stores), sales in 1979 of red meats and of fruits and vegetables (fresh and processed) were about equal, each group accounting for a fourth of the market. In contrast, red meats alone had two-fifths of the away-from-home market (public eating places and institutions), while fruits and vegetables had slightly more than a tenth.

Percentage of total consumer expenditures by market, selected years

Year	At-Home	Away-from-Home
	Percent	
1979 . . .	71.5	28.5
1978 . . .	70.8	29.2
1977 . . .	67.9	32.1
1976 . . .	69.0	31.0
1971 . . .	71.7	28.3
1966 . . .	74.4	25.6
1961 . . .	75.8	24.2

Poultry products accounted for 6 percent of the at-home market and 10 percent of away-from-home expenditures (primarily through sales of fried chicken). Red meats and poultry products together made up a third of the at-home market, compared with half of the away-from-home market.

Looking strictly at the farm value of sales, red meats accounted for 37 percent of the at-home market and 50 percent of the away-from-home market. Livestock products represented about two-thirds of the farm value of food purchased for consumption at home and nearly three-fourths of the farm value of foods consumed away from home.

[Leland W. Southard (202) 447-6860]

Upcoming Situation Reports

USDA's World Food and Agricultural Outlook and Situation Board will issue the following situation reports next month:

Title	Summary Released
Ag Supply & Demand*	Jan. 15
Ag Supply & Demand*	Jan. 27
Vegetable	Jan. 30
Fats & Oils	Feb. 2
Wheat	Feb. 3
Sugar & Sweetener	Feb. 5
Feed	Feb. 10
Ag Supply & Demand*	Feb. 12
Livestock & Meat	Feb. 17
Export Outlook*	Feb. 18

Copies of the full reports will be available a week to 10 days after the summary is released. Reports can be obtained by writing to: ESS Publications, Room 0054-South Building, USDA, Washington, D.C. 20250.

*These reports are issued in full on the date indicated



Inputs

FARM CREDIT

Following the century-high peaks of 1980, farmers will likely encounter lower average interest rates in 1981, and operating loans for credit-worthy applicants should be more readily available. Wide swings in interest rates will persist, however, because of 1979 changes in the procedures by which the Federal Reserve System carries out monetary policy and 1980 changes in regulations for commercial banks.

This has been a year of unprecedented extremes in all financial markets. The prime interest rate, the rate large urban banks charge their best customers, hit a peak of 20 percent in April—its highest level since the Civil War. It then declined rapidly, hitting 11 percent only 13 weeks later. Both the timing and the magnitude of this increase hit farmers particularly hard: the interest rate peak coincided with crop producers' planting season and with the beginning of livestock producers' herd rebuilding efforts following several years of poor income. (Interest expenses represent a large share of inventory carrying costs for livestock producers.)

Interest Rates To Decline

The prime rate is now rising and could set a record in early 1981, but rates in general are expected to decline before farmers' seasonal credit needs rise in the spring.

In 1981, average interest rates on total outstanding debt (new and old) for non-real estate and real estate will likely be down 20 and 5 percent, respectively, from their 1980 levels. The interest rates on real estate debt will decline less than those on non-real estate debt because 1) long-term interest rates in the general economy will likely decline less than short-term rates and 2) a greater proportion of the outstanding real estate debt is subject to fixed interest rates from past years.

Credit Availability To Improve

A repeat of last spring's regional credit shortages is extremely unlikely, given the improved liquidity of agricultural banks, the better outlook for farm income, and the anticipated lower interest rates.

Commercial banks' loan-to-deposit ratios declined this summer, reversing past seasonal and long-term trends, partly because banks can be more competitive for funds now that they have the freedom to set interest rates on deposits. Furthermore, loan volume was constrained by historically high interest rates—which contributed to the decline in agricultural banks' loan-to-deposit ratios.

Debt Composition: More Capital Purchases

Preliminary estimates suggest that farm real estate debt increased about 17 percent in 1980 and will reach \$96.1 billion by the end of the year. Nonreal estate debt rose about 13 percent. The preliminary estimate of farm nonreal estate debt for January 1981—about \$78 billion—is somewhat less than was expected earlier. Refinancing of operating loans by farmers hurt by the drought likely explains much of the shift from non-real estate to real estate borrowing in 1980.

Forecasts of the balance sheet of the farming sector show this shift reversing in 1981. Higher expected incomes and lower interest rates could cause a resurgence of capital purchases by farmers. These purchases could cause nonreal estate debt to increase more than \$16 billion during 1981 to total about \$96 billion by January 1982. The growth in real estate debt could moderate to 13 to 15 percent if interest rates on operating loans are lower than long term rates, as expected. [Dean Hughes (202) 447-7340]

ENERGY

Energy prices will likely increase more than most other production expenses in 1981. Because of domestic price decontrol, probable increases in foreign petroleum prices, and other factors, farm prices for fuel and energy can be expected to increase about 20 percent from 1980 levels.

While prices will be significantly higher, farmers can expect supplies of major petroleum fuels to be readily available. National stock levels of crude oil, gasoline, and diesel fuel are significantly higher than usual. Regional shortages such as occurred in 1979 and early 1980 should be greatly reduced in 1981. [Ron Meekhof (202) 447-7340]

FARM MACHINERY

Despite a 12- to 14-percent increase in prices, farm equipment sales are likely to increase sharply in 1981, perhaps reaching 1979 levels. Net farm income is on the rise, and farmers who had good crops and favorable prices in 1980 will be in the market for equipment.

Interest rates, although currently rising, are expected to average below 1980 levels in 1981. In addition, farm equipment manufacturers and dealers have been offering a number of sales incentives: waivers of interest until March 1981, rebates on new equipment, and issues of scrip that can be used for parts and service. If interest rates do not moderate, however, recovery in the farm equipment industry will be set back substantially.

The expected 1981 situation contrasts with the first 8 months of 1980, when farm equipment sales declined significantly because of tight credit, lower farm income, higher energy prices, and higher farm machinery prices. Sales of two- and four-wheel drive tractors dropped 20 and 13 percent, respectively. Combine sales were off 19 percent, and baler sales declined 26 percent. In the third quarter of 1980, farm machinery sales were bolstered by rising commodity prices and income prospects.

The increase in farm equipment prices in the face of declining sales resulted primarily from higher manufacturing costs. For example, in the past 9 months, semifinished steel increased 8 percent in price, foundry and forge equipment 6 percent, electric power 18 percent, and tires and tubes 8 percent.

PESTICIDES

Supplies of all types of pesticides should again be adequate in 1981. Prices are expected to rise about as much as in 1980, with manufacturers' prices to distributors for both herbicides and insecticides forecast up an average of 10 percent. These increases are likely to be passed on to the grower, since distributors' margins are small.

With insecticide carryover stocks equal to about a third of last year's production, manufacturers plan to use only 60 to 65 percent of available capacity next year. Nevertheless, overall supplies of the major pesticides are still expected to be greater than in 1980.

Herbicide carryover stocks were also substantial this year, equaling 30 percent of last year's production. However, herbicide production facilities are scheduled to operate at 85 percent of capacity for the coming season.

Manufacturers anticipate no major problems in producing pesticides for the 1981 season. However, since most pesticides are petroleum-based, a major disruption to crude oil supplies could cause complications.

During the 1970's pesticide prices increased at just about half the rate of other production items. As a result, pesticides now account for a smaller share of farmers' total production costs than 10 years ago. Farm pesticide prices last season were generally 5 to 15 percent higher than the year before. However, the price of atrazine continued a 4-year decline with a 6-percent drop, while the price of 2, 4-D jumped 50 percent.

FERTILIZER

Consumption To Rise in 1980/81

Rising farm income and continued strong export demand for crops dominate the outlook for domestic fertilizer use this season. Improved economic conditions in the farming sector will undoubtedly translate into increased fertilizer consumption, possibly boosting 1980/81 domestic fertilizer use to record levels.

Increased planted acreage (primarily of grains) will push nitrogen use 2 to 4 percent above 1979/80 levels. Potash use will likely reach a record 6.4 million tons, while use of phosphate could match the 1976/77 record of 5.6 million tons. Total nutrient consumption is anticipated to reach 24 million tons, up about 4 percent from last season.

Fertilizer/corn price ratios, 1978-1981¹

Fertilizer material	1978	1979	1980	1981 ²
Bushels to buy one ton				
Ammonia (NH ₃)	82.3	77.0	99.1	79
Triple super-phosphate (TSP)	70.2	74.9	106.9	94
Diammonium phosphate (DAP)	86.5	89.6	128.6	100
Potash	44.8	49.8	58.4	47

¹ Fertilizer use years (beginning July 1 of indicated year). ² Forecast.

Although the outlook for increased fertilizer use in 1980/81 appears favorable, a larger than expected increase in farm production costs, especially for fertilizer, or lower than expected improvement in farm commodity prices could dampen gains in fertilizer application rates or cause smaller increases in planted acreage.

Prices Also Forecast Up

Prices paid by farmers for fertilizer could average 8 to 12 percent higher in the spring of 1981 than a year earlier. Improved domestic demand plus a brisk world demand for fertilizer materials would allow the fertilizer industry to pass through rising production, transportation, and retailing costs.

Wholesale prices for nitrogen and phosphate fertilizers have fallen from their peaks of March 1980. At present, farm prices for some fertilizer materials are below May 1980 levels and appear likely to remain below those levels for the rest of the year. By early 1981, however, supply adjustments are expected to strengthen prices.

Of all types of fertilizer, nitrogen could see the largest price rise between now and next spring. By May 1981, nitrogen prices could average 10 to 15 percent above a year earlier. Prices for ammonia and urea will be up the most. More modest price rises are expected for nitrogen solutions and other nitrogenous fertilizer materials.

Although phosphate prices declined in 1980, in early 1981 they will probably advance 5 to 10 percent from year-earlier levels as domestic planting activity increases. However, the export trade will have to maintain a vigorous pace throughout 1980/81 to support this increase.

Potash was more expensive this fall than a year ago, and farm prices are expected to rise further, averaging 10 to 12 percent above year-earlier levels by next spring.

Sufficient Supplies in Prospect

During 1980/81, the supply of fertilizer materials will be adequate to plentiful. Last season, domestic fertilizer production was high and use of phosphate and potash lower than expected. Because of the decline in consumption during 1979/80, stocks at various locations throughout the distribution system are above year-earlier levels.

These carryover stocks plus readily obtainable production from existing capacity could easily supply the expected increase in domestic use in 1981. However, as in other years, a tight supply situation could develop because of unexpected shortfalls in world production. Such shortfalls would boost U.S. fertilizer exports, thus possibly tightening supply prospects for the domestic market. [Bob Reinsel (202) 447-7340]

SUMMARY

In short, the outlook for crop production costs in the 1981 crop season is for:

- Per-acre production cost increases largely reflecting the increases in input prices. Price increases for most inputs are expected to be much smaller than in 1980, averaging close to the rate of inflation in the general economy. Per-acre production costs may increase 10 to 13 percent from 1980 levels.
- Smaller production cost increases on a per-unit than on an per-acre basis, assuming more normal crop yields. Increases in yields toward trend in 1981 would have the effect of considerably reducing per-unit costs relative to per-acre costs—the opposite of the situation in 1980 when higher input prices and low yields greatly increased per-unit costs.
- The principal factors determining production costs which could vary from the assumptions underlying the cost projections for 1981 are interest rates, per-acre yields, and prices for energy and energy-sensitive inputs. These stand out because they combine considerable possibilities for variation with significant impact on production costs. [Robert E. Olson (202) 447-4190]



Storage and Transportation

In 1981, total agricultural demand for transportation services is expected to be about the same as in 1980, but the capacity of the system will be greater. There may be spot shortages of equipment, but, because railroads and water carriers have increased capacity in recent years, the supply of equipment should be more adequate than in 1977-79.

Export sales of grain and cotton are projected at record levels, exceeding estimated 1979/80 exports by 2.8 million metric tons (mmt). This relatively small increase in total tonnage is not likely to pose problems unless changes in export demand affect inland transportation patterns so much that turnaround times for equipment are slower.

The Impacts of Exports and Rail Bankruptcies

Two developments in 1980 appear likely to affect next year's transportation situation: 1) the large increase in grain sales to Mexico and China, and 2) the bankruptcies of the Milwaukee and Rock Island Railroads.

Sales of grain and other farm products to Mexico totaled about 7 mmt in the first 9 months of 1980, with an additional 3 mmt expected to be shipped before yearend. This is an increase of 160 percent over previous years. Rail transportation has taken most

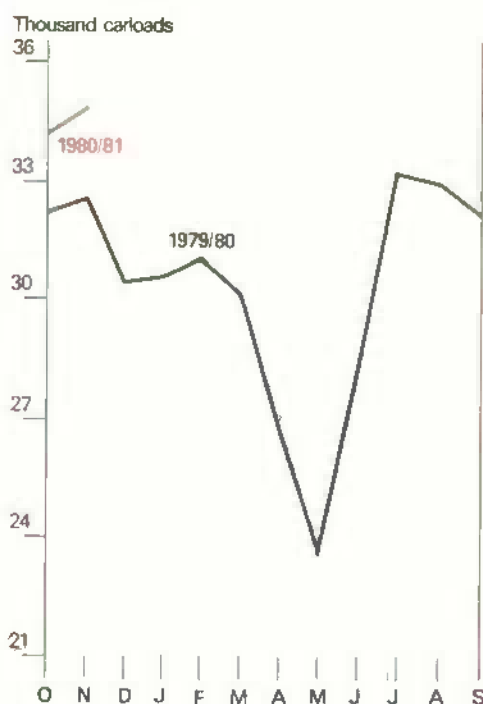
of the increase in exports to Mexico, about 43 percent of the total. Turnaround time has averaged about 30 days for rail-owned cars and 60 days for private cars. Although turnaround time in Mexico has improved in recent months, it still ties up equipment.

Under the U.S.-China grain agreement, China will buy 6 to 8 mmt of grain annually. China's wheat and perhaps some of the corn purchases will be shipped mainly through Pacific Coast ports, where the long rail haul would require more car days. This could reduce the number of loads shipped per hopper car during the marketing year.

The Rock Island and Milwaukee Railroads are bankrupt. However, as of September 1980, other railroads (directed by the CCC) were providing service on 63 percent of the Rock Island's mileage, accounting for 83 percent of the freight normally carried. A core system is operating on the Milwaukee's lines, but no service is available on much of the track serving grain shippers.

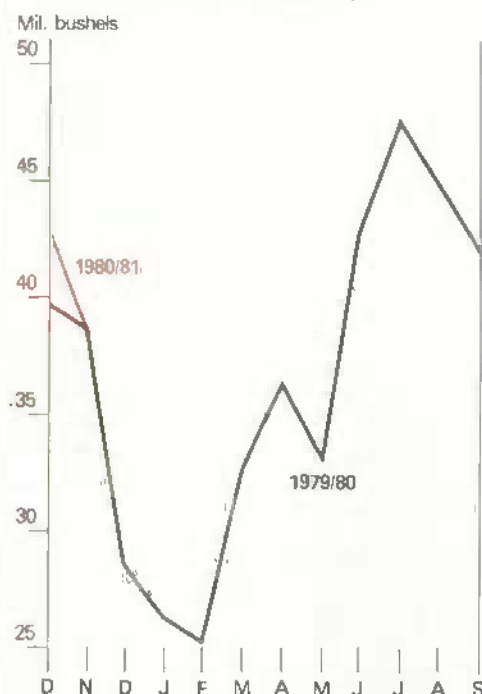
In 1978, these two railroads accounted for about 12 percent of all grain cars loaded. While some shippers formerly served by these lines may be adversely affected, the total impact on grain loadings will be modest.

Railcar Loadings Up



Average weekly railcar loadings of grain. November value is first 2 weeks average.

Barge Loadings Remain Strong



Average weekly loadings of grain and soybeans. November 1980 value is for first 2 weeks average.

Barge Loadings Continue Strong

Weekly barge loadings of grain and soybeans average 41.9 and 42.6 million bushels, respectively, during September and October. This exceeded loadings in September 1979 by 26 percent and in October 1979 by 7 percent. Average weekly loadings for the first 2 weeks in November were 38.4 million bushels, down 11 percent from a year earlier.

Barge capacity appears adequate for 1981. The industry added about 1,000 barges in 1979 and has expanded capacity at about the same rate this year. Lock and Dam 26 is still a bottleneck on the upper Mississippi; however, new locking procedures instituted this fall helped reduce waiting time, and relatively more barged grain entered the river below Lock 26 than in recent years.

Railcar Loadings Above a Year Ago

Railcar loadings of grain and soybeans averaged 32,127 and 34,114 for September and October, respectively, up 12 percent from September 1979 and up 6 percent from October 1979. Car loadings for October were the largest of 1980. Loadings for the first 2 weeks in November averaged 34,784, a 6-percent increase from a year ago.

New Rail Act

It is too early to assess the impact of the new rail act of 1980. The actual effect will depend to some extent on how the Interstate Commerce Commission administers it. Railroads will be able to set rates according to a formula giving more freedom in rate making, and there will be a less uniform pre-announced rate structure.

The law endorses contracting for freight services but limits the proportion of contracting if it restricts the common carrier function. In periods of peak demand, however, the railroads may fulfill their contract obligations before responding to reasonable requests for service.

Storage Capacity Adequate

As of October 1, utilization of all storage capacity stood at 30 percent, 2 percent more than a year earlier. Stocks increased 500 million bushels, exceeding the 460-million-bushel increase in capacity. Total storage capacity for grain and soybeans was estimated at 18.3 billion bushels for the 1980 harvest season; farm capacity was 11.1 billion and off-farm capacity was 7.1 billion.

Less storage space was needed during the fall harvest than a year ago because total production of corn, sorghum, and soybeans is 2.1 billion bushels less than in 1979. Storage requirements during the 1980 harvest should decline by about 1.6 billion bushels.

Only about 309 million bushels of grain and soybeans required immediate transportation of production in excess of available onfarm storage capacity during the 1980 harvest, compared with 2.7 billion bushels in 1979. Transportation requirements declined in most States because of reduced production. However, Wisconsin, Washington, and Ohio can expect increased transportation requirements in 1981 because their crop production exceeded last year's. [W. W. Gallimore (202) 447-8487]



Agricultural Policy

USDA Delays Call for Corn Reserves II and III

During the week ending October 30, corn prices reached a 5-day average of \$3.28 per bushel—exceeding the \$3.15 call price for corn in farmer-owned reserve I. The call requires farmers to repay their Commodity Credit Corporation (CCC) loans within 90 days of the official notification date. Farmers don't have to sell their grain, but they will forfeit their grain to the CCC if the loan is not repaid in the 90 days.

Approximately 560 million bushels of corn remain in reserves II and III. Corn in these reserves is in release status, which means farmers can move this grain from the reserves without penalty. Although corn prices have recently exceeded the reserve II and III call levels at times, USDA has utilized an option to delay a call announcement. For the time being, not only will the 5-day average market price have to exceed the call level, but market prices each day within the 5-day period under examination will also have to exceed it. This process further reduces the possibility that unusual market activity on any given day will result in a call status for grains.

1981 Feed Grain Set-Aside Decision Announced

For the second year in a row, USDA is dropping the requirement that farmers set aside acreage in order to be eligible for the farmer-owned reserve, commodity loans, and target price protection. The Department announced that farmers would be required to plant within their normal crop acreage to participate in the 1981 program. However, an amendment was attached to the USDA Appropriations Act for fiscal 1981 suspending the normal crop acreage requirement for 1981 crops.

Feed grain target prices will be announced in the spring of 1981 and will at least equal the 1980 levels of \$2.35 per bushel for corn, \$2.50 per bushel for sorghum, and \$2.55 per bushel for barley.

Higher Loan Levels for 1980 Reserve Grains

Because of the recent signing of the Agricultural Act of 1980, wheat producers placing this year's crop into the farmer-owned reserve will receive a \$3.30 per bushel loan. The loan price for 1980 crop corn entered into the reserve will be \$2.40 a bushel, compared with \$2.25 for non-reserve corn. For barley producers, the reserve loan rate will be \$1.95—12 cents higher than that paid to non-reserve producers.

The Act also allows for 7- and 14-cent increases in loan levels for producers of oats and sorghum, respectively, who put their grain into the reserve. Growers using the reserve will get a waiver of interest on their price support loans. These actions are expected to strengthen the reserve program.

U.S.-China Grain Agreement Signed

The 4-year grain agreement between the United States and China will boost future U.S. exports of grain to China well above the 4 million tons exported to China in 1979 as well as the previous record of 4.3 million in 1973. In addition, the U.S. share of China's grain imports will be more stable in coming years, perhaps averaging 50 to 60 percent. The U.S. share of China's total grain imports fluctuated widely from 60 percent in 1973 to zero during 1975-77.

The new agreement, signed October 21, 1980, calls for U.S. grain exports to China of 6 to 8 million tons each calendar year beginning January 1, 1981. It specifies that 15 to 20 percent of China's purchases will be corn, the remainder wheat. The agreement sets a general framework for grain trade: each year, the China National Cereal, Oils, and Foodstuffs Import and Export Corporation will negotiate individual contracts directly with private U.S. companies at prices prevailing at the time.

China can purchase an additional 1 million tons of U.S. grain without prior notification, bringing total possible purchases to 9 million tons. However, to minimize unforeseen shocks to the U.S. market, the agreement calls for consultations between the two governments if the Chinese want to purchase either more or less than the agreed amounts. In the event of purchase or availability of less than 6 million tons, equal treatment for either side with the other's traditional suppliers or markets has been agreed to.

Peanut Supports Increased

An additional 200 million pounds of edible-grade peanuts—above the annual import quota of 1.7 million pounds—will be allowed into the United States before June 30, 1981. This action was taken because of extremely short domestic peanut supplies. The June 30 cutoff date will guard against excessive imports that might disrupt next year's peanut market.

U.S. peanut production in 1980 is estimated at 2.3 billion pounds, 42 percent smaller than last year. Total supplies are expected to be about 2.86 billion pounds, 37 percent below last season. Dry, hot weather last summer caused the small crop and reduced quality as well.

Special Cotton Import Quota Established

On November 24, a special import quota was set on U.S. imports of upland cotton, raising the maximum allowable amount of such imports by 500,000 bales. This action was triggered when the average spot price for strict low middling 1-1/16 inch cotton for September exceeded 130 percent of the average price for the preceding 36 months (September average—87.51 cents a pound; 36 month average—62.85 cents). The quota represents 3 weeks' domestic mill consumption and will be in effect for 90 days after it is published in the Federal Register.

Rice Program Comments Sought

USDA is requesting comments to be submitted, before January 5, on its rice program for 1981. Decisions that must be made include 1) whether there should be a set-aside and how large it should be (it cannot exceed 30 percent of the farm allotment); 2) whether there should be a land diversion program and its payment level, the level of the target price, the level of the loan and purchase rates for the 1981 crop (premiums and discounts for different grades and classes of rice are part of this decision); and 3) whether normal crop acreage compliance will be required for program eligibility.

The estimate of total rice supplies will be important in determining whether or not a set-aside is needed. Without a set-aside or diversion, the 1981 rice crop is projected to reach 150 million cwt.—7 million cwt. greater than the 1980 crop. There is a 1981 rice carryover of almost 26 million cwt., and 1981/82 utilization is estimated at 144 million. The 1981 target price will be based on 1980's \$9.49 per cwt., adjusted for changes in the cost of production. The current estimate is a target of \$10.30 to \$11.40 per cwt.

Loan and purchase rates are tied to the target price. Based on the current target estimates, loan and purchase rates could range from \$7.33 to \$8.55 per cwt. However, USDA might reduce these rates to as low as \$6.31 per cwt. if the higher levels would discourage exports and build up U.S. stocks.

FmHA Can Now Make Unsubsidized Emergency Loans

The Farmers Home Administration (FmHA) now has the authority to make unsubsidized emergency disaster loans to farmers who can get credit from commercial lenders. Thus, the USDA agency can now serve credit-worthy farmers previously served by the Small Business Administration (SBA).

Up to now, the FmHA was only able to make loans to borrowers who had been unable to get credit elsewhere. The change affects only loans made by the agency for losses caused by natural disasters in designated areas. The new rules are highlighted as follows:

- Affects only farmers suffering losses from natural disasters commencing on or after July 3, 1980, who are located in designated disaster areas.
 - Limits loans to these farmers to \$500,000 or the actual amount of loss per borrower, whichever is less.
 - Significantly restricts, but does not eliminate, SBA disaster loans.
 - Provides that FmHA emergency disaster loans to credit-worthy farmers will be made at a rate of interest reflecting the cost of money to the Federal government—currently 11.75 percent. The interest rate for FmHA emergency loans to farmers unable to get credit elsewhere will continue at 5 percent.
 - Farmers suffering production losses from a disaster commencing on or after July 3, 1980, who are able to get credit elsewhere may apply for loans at their local county FmHA office. Those with housing losses can still apply to either FmHA or the SBA.
- [Bill Edmondson & Richard Rizzi (202) 447-6620]

Upcoming FAS Circulars

For those interested in the latest world agricultural developments, the series of circulars published by USDA's Foreign Agricultural Service (FAS) is a good source of information. The following list gives the release dates of all FAS circulars for January 1981. All circulars are cleared by the World Food and Agricultural Outlook and Situation Board.

January

- | | |
|----|---|
| 2 | World Coffee Production & Trade |
| 9 | World Cotton Trade |
| 14 | World Crop Production*
Soviet Grain Production |
| 15 | USSR Grain Situation and Outlook
World Agricultural Supply & Demand Estimates* |
| 16 | World Grain Situation & Outlook |
| 21 | World Meat Situation & Outlook |
| 22 | World Oilseeds Situation & Outlook
World Cotton Situation & Outlook |
| 30 | World Poultry Situation & Outlook |

Single copies of the above reports can be obtained by writing to: FAS Information Services, Room 5918-South Building, USDA, Washington, D.C. 20250.



World Agriculture and Trade

U.S. FARM EXPORTS: BULLISH PROSPECTS

In fiscal 1981, U.S. agricultural exports are expected to increase about 20 percent from last year's \$40.5 billion, resulting in the 12th consecutive year of record export values. Agricultural imports are also expected to set a record at \$18.5 billion, leaving the agricultural trade surplus at \$30 billion—\$7 billion larger than in fiscal 1980. Export volume is forecast at a record 170 million tons, up from last year's 164 million.

U.S. export volume and value this year will be shaped primarily by the following:

- the drought-reduced U.S. harvest of feed grains, oilseeds, and cotton.
- reduced wheat production and export prospects in Australia and Argentina.
- the development of Northern Hemisphere winter crops.
- a second consecutive year of poor grain crops in the Soviet Union.
- a decline in Chinese grain production and a substantial increase in total Chinese imports.
- slower growth in foreign livestock production.
- continued slow economic recovery in the major developed markets.
- a sharp deterioration in the current trade accounts of most developing countries.

The recently signed grain accord with China (Jan. 1981-Dec. 1984) will establish China as our largest wheat market (about 6 million tons). Annual exports of 6 to 8 million tons of wheat and corn were agreed upon, with wheat accounting for 80 to 85 percent of that total. (China may import up to 9 million tons of U.S. grains without prior notification.)

The USSR has already completed purchases of the 8 million tons of wheat and corn allowed under the U.S.-USSR grain agreement, which is in its final year. The 1980 Soviet grain crop is now estimated at 185 million tons—the second consecutive poor harvest—portending another year of aggressive Soviet buying on world markets.

Export Volumes:

Expansion For Grains and Livestock...

Exports of grain (wheat and flour, feed grains, and rice) are expected to supply the thrust of this year's volume growth with a projected increase of 7 million tons. Feed grain shipments are expected to rise about 3 million tons to 74 million, while wheat and flour shipments could climb 4 million tons to over 41 million.

Led by corn gluten feed and meal, exports of feeds and fodders are expecting another enormous boost in volume during fiscal 1981 on the heels of a 31-percent increase in fiscal 1980. The volume of U.S. rice exports is forecast up slightly following last year's record performance. Rice exports rose dramatically in fiscal 1980 because of unusually large shipments to Korea of 725,000 metric tons. Korea may take even more U.S. rice in 1981 because of a sharply reduced rice crop there.

Exports of animals and animal products in fiscal 1981 are expected to increase 3 to 5 percent, although this will depend heavily on world economic conditions (more so than in grains) and the level of U.S. cattle slaughter. In the current fiscal year, the United States expects to continue meeting the growing world demand for poultry products, increasing its exports slightly over last year's record level.

...Declines for Soybeans, Cotton, Tobacco

Following the tremendous increases of fiscal 1980, soybean export volume could decline 5 to 8 percent this year because of a less competitive corn/soymeal price relationship, increased supplies in Brazil and Argentina, and reduced U.S. production.

Cotton exports, which showed the biggest increase of any U.S. crop in fiscal 1980, will decline dramatically in the current fiscal year as reduced supplies, higher prices, and a weak world economy slow demand for cotton.

Tobacco exports rebounded midway through fiscal 1980 and are expected to decrease marginally in volume during the current fiscal year. A continuation of relatively high interest rates and sluggish world cigarette output will determine the magnitude of decline.

Export Prices To Climb More Than Volume

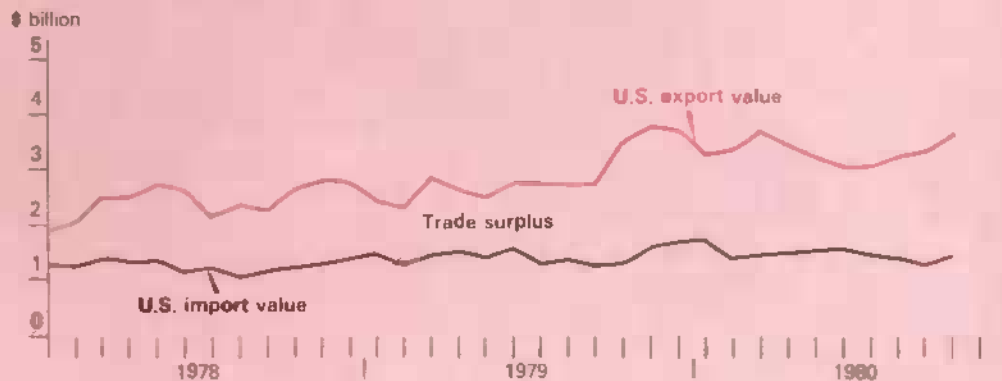
Higher prices will likely account for four-fifths of the increase in the value of U.S. farm exports this year. Although foreign grain production is up somewhat, the 12-percent smaller U.S. grain harvest—in the face of record export demand—has driven up grain export prices.

Since the beginning of the new fiscal year (October 1), grain prices at Gulf ports have risen \$12 to \$17 a ton, and soybean prices have soared by more than \$55 a ton. This early price movement foreshadows the impact of prices on the total value of U.S. grain exports in fiscal 1981. Wheat prices are expected to be 5 to 10 percent higher than in fiscal 1980, and prices for corn, sorghum, and soybeans are projected up about a third.

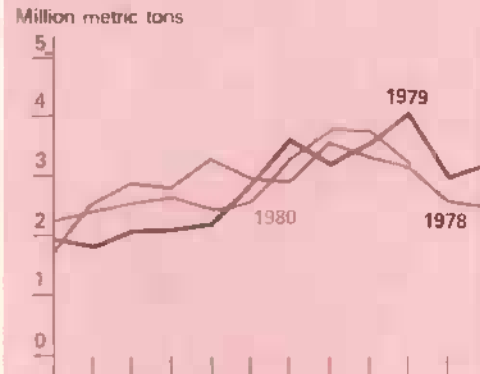
The United States' low carryin stocks of cotton plus a poor cotton harvest have resulted in an extremely tight supply situation. Thus, despite larger foreign supplies, the export price of cotton has increased sharply.

U.S. Agricultural Trade Indicators

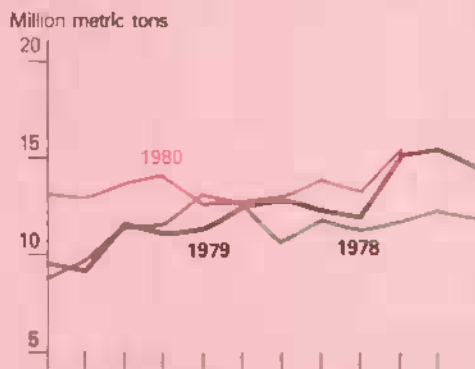
U.S. Agricultural Trade Balance



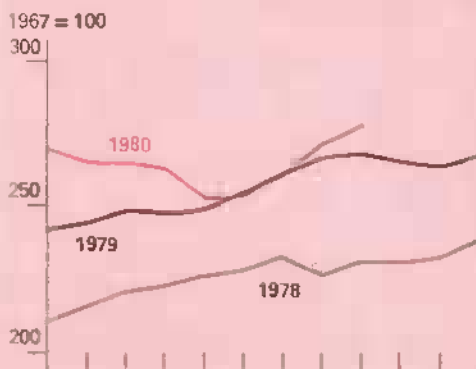
U.S. Wheat Exports



Export Volume



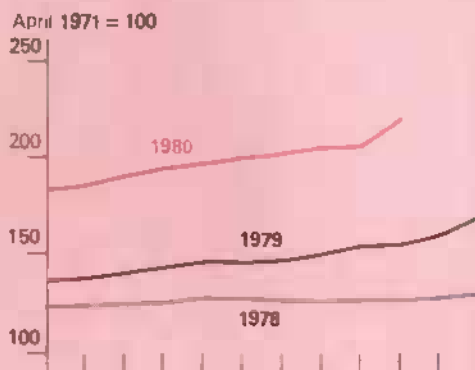
Export Prices



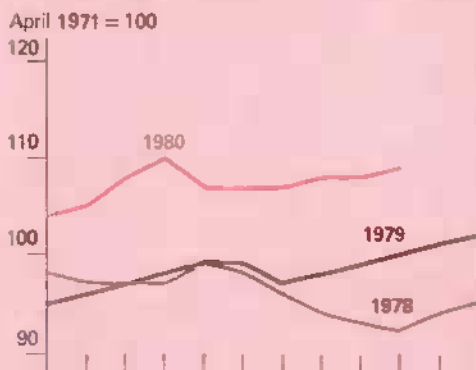
U.S. Corn Exports



Wheat Exchange Rate*



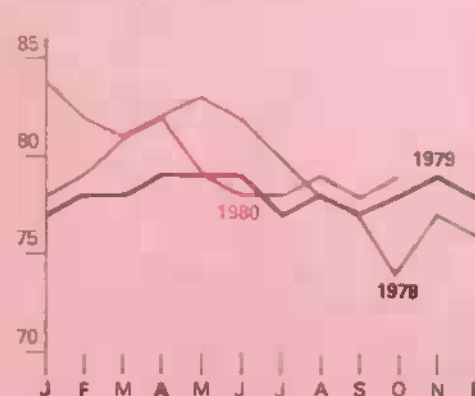
Corn Exchange Rate*



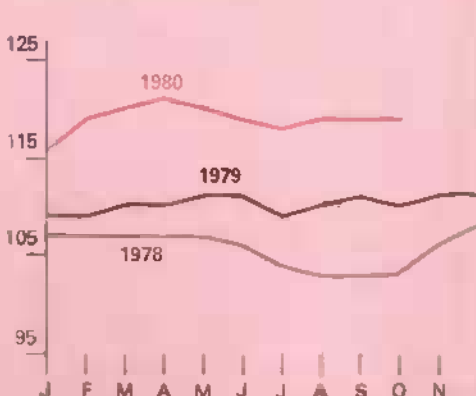
U.S. Soybean Exports



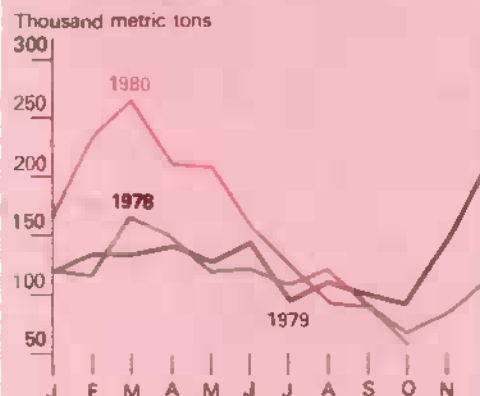
Soybeans Exchange Rate*



Cotton Exchange Rate*



U.S. Cotton Exports



*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

During fiscal 1981, seven countries will probably import more than \$2 billion worth of U.S. farm products. Japan, perennially our largest market, is expected to retain its 14-percent share of U.S. agricultural exports at nearly \$7 billion. Other countries that may exceed \$2 billion include the Netherlands, China, West Germany, Mexico, Korea, and Canada.

Imports Forecast Up 6 Percent

U.S. agricultural imports are expected to increase more than \$1 billion to about \$18.5 billion in fiscal 1981. Sugar imports could rise about \$1.5 billion, the result of anticipated increases of 8 percent in volume

and nearly 80 percent in unit values. This rise is likely to be partly offset by a \$900-million decrease in coffee imports as prices fall in the face of increased world coffee production. Thus, while the volume of coffee imports may be 3 to 5 percent larger, a projected price decline of 23 percent will be more than offsetting.

After slipping each year since 1977, world production of beef and veal may rise in 1981. Beef and veal imports by the United States are expected to remain near the fiscal 1980 level, which was 14 percent lower than the year before. [Steve Milmoe (202) 447-9160]

U.S.-Mexican Supply Agreement for 1981 Signed

In early December, the United States and Mexico signed an agreement providing for Mexican purchases of at least 6.15 million metric tons of U.S. farm products in calendar year 1981. Secretary of Agriculture Bob Bergland said the new agreement is similar to one signed last January covering 4.76 million tons (amended in September to 7.2 million).

Including purchases made before the signing of the 1980 agreement, Mexico has now bought 10.4 million metric tons of all specified commodities for delivery in 1980. This will make Mexico a \$2 billion U.S. market and the third largest customer for U.S. agricultural products.

Bergland said the new agreement permits Mexico to purchase a minimum of 6.15 million tons of U.S. agricultural products in 1981, chiefly sorghum, corn, soybeans, and wheat. "For its part," Bergland declared, "the United States will endeavor to assure that supplies are available, and will do all it can to facilitate their purchase by Mexico."

The new agreement covers the following commodities and quantities (in ranges): corn (No. 2), 1.5 to 2.25 million metric tons; sorghum or corn (No. 3), 2.5 to 3.0 million tons; soybeans, 0.85 to 1.0 million tons; wheat, 600,000 to 850,000 tons; sunflower seed, 200,000 to 300,000 tons; soybean meal, 170,000 to 200,000 tons; edible beans, 100,000 to 200,000 tons; cottonseed, 100,000 to 180,000 tons; tallow, 60,000 to 80,000 tons; crude soybean and/or sunflower oil, 10,000 to 20,000 tons; rice, 50,000 to 65,000 tons; and non-fat dry milk, 10,000 to 35,000 tons.

Revised Commodity Estimates To Be Released

In coming months, USDA's Crop Reporting Board will be issuing revised estimates for crops, livestock, and poultry covering recent years through 1978 (1979 for some commodities).

Final estimates, which update those issued currently in crop reports, are made about every 5 years. The latest estimates resulted from a thorough review of all data sources, including the 1978 Census of Agriculture. They will be published during the next few months in 22 reports, which will be available on request from the Crop Reporting Board, Rm. 0005-South Building, USDA, Washington, D.C. 20250.

The reports to be issued and their approximate publication dates are:

Through December 1980:

Aquaculture, Citrus Fruit, Potatoes and Sweet Potatoes, Hogs and Pigs, Noncitrus Fruits and Nuts, and Field Crops.

January-February 1981:

Rice Stocks, Cattle Production and Cattle on Feed, Chicken and Egg Production, Sheep, Lamb and Goat Production, Grain Stocks, and Milk.

March 1981:

Seed Crops and Disposition, and prices and income reports for Field Crops, Cattle, Hogs and Pigs, and Sheeps, Lambs, and Goats.

May-October 1981:

Fresh Market Vegetables, Processing Vegetables, Turkeys, Honey, and Chicken and Eggs—Disposition, Prices, and Income.



Recent Publications

USDA's Economics and Statistics Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to you as an *Agricultural Outlook* reader. To order reports listed below, write directly to ESS Publications, Room 0054-South, U.S. Department of Agriculture, Washington, D.C. 20250. Be sure to list the publication number and provide your zip code.

1980 Handbook of Agricultural Charts: HA-574.

Fewer, Larger U.S. Farms by Year 2000 and Some Consequences. AIB-439.

Foreign Ownership of U.S. Agricultural Land, February 1, 1979, through February 1, 1980. AIB-440.

The U.S. Sales Suspension and Soviet Agriculture: An October Assessment. Supplement I to WAS-23.

State Reports

To order publication issued by a State write directly to the address shown.

Florida Agricultural Statistics - Dairy Summary 1979. Florida Crop and Livestock Reporting Service, 1222 Woodward Street, Orlando, Florida 32803.

New York State Dairy Statistics - 1979 Annual Summary. Department of Agriculture and Markets, Building #8 State Campus, Albany, N.Y. 12235.

1979 Texas Agricultural Cash Receipts Statistics. Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

Larry Van Meir
Room 276, GHI Bldg.
USDA, ESCS, NED
500 12th St. S.W.
Washington, D.C. 20250

Comments:

Statistical Indicators

Summary Data

Key Statistical Indicators of the Food and Fiber Sector

	1979		1980					1981	
	IV	Annual	I	II	III	IV f	Annual f	I f	II f
Prices received by farmers (1967=100)	238	241	236	228	255	263	246	273	283
Livestock and products	251	267	251	234	259	261	251	280	293
Crops	224	223	220	222	250	266	240	265	273
Prices paid by farmers, (1967=100)									
Prod. items	258	250	271	276	283	289	280	300	317
Prod. items, int., taxes, and wages	268	260	284	286	294	299	291	314	328
Farm income ¹									
Cash receipts (\$ bil.)	135.4	131.6	137	136	143	146	138-142	147-151	153-157
Livestock (\$ bil.)	69.7	68.6	68	66	71	73	68-70	76-78	79-81
Crops (\$ bil.)	65.7	62.8	69	71	72	73	70-72	71-73	74-76
Total gross farm income (\$ bil.) ²	154.1	149.6	153	154	155	159	151-157	164-168	170-174
Production expenses (\$ bil.)	124.2	118.6	127	130	133	136	128-134	138-142	142-146
Net farm income (\$ bil.)	29.9	31.0	26	23	22	23	23-26	24-28	26-28
Net cash income (\$ bil.) ³	35.0	35.8	34	31	36	36	32-36	35-37	37-39
Market basket (1967=100)									
Retail cost	225.3	222.7	229.8	233.7	242.7	250	239-240	258	270
Farm value	225.6	228.2	226.0	226.9	253.8	267	240-241	266	277
Spread	225.2	219.5	232.0	237.7	236.2	245	237-238	253	260
Farm value/retail cost (%)	37	38	36	36	39	38	37-38	38	38
Retail prices (1967=100)									
Food	239.7	234.5	245.3	250.5	258.2	265	254-265	273	283
At home	236.7	232.9	241.8	246.6	256.6	262	251-262	271	282
Away-from home	251.4	242.9	258.4	264.7	259.6	276	267-268	284	291
Agricultural exports (\$ bil.) ⁴	11.0	32.0	10.3	9.7	9.5	13.6	40.6	11.5	11.6
Agricultural imports (\$ bil.) ⁴	4.4	16.2	4.5	4.3	4.0	4.4	17.2	4.7	4.8
Livestock and products									
Total livestock and products (1974=100)	109.0	106.3	106.6	112.0	108.7	109.2	109.1	107.1	110.2
Beef (mil. lb.)	6,416	21,261	5,244	5,250	6,383	5,500	21,377	5,500	51.00
Pork (mil. lb.)	4,346	15,270	4,124	4,300	3,767	4,126	16,306	3,750	3,750
Veal (mil. lb.)	100	410	91	89	95	90	365	85	80
Lamb and mutton (mil. lb.)	73	284	80	77	72	80	309	80	80
Red meats (mil. lb.)	9,935	37,225	9,539	9,716	9,307	9,785	38,347	9,415	9,010
Broilers (mil. lb.)	2,665	10,915	2,722	2,923	2,769	2,690	11,094	2,830	3,030
Turkeys (mil. lb.)	725	2,182	374	523	706	720	2,322	400	566
Total meats and poultry (mil. lb.)	13,325	50,322	12,635	13,162	12,771	13,195	51,763	12,645	12,605
Eggs (mil. dz.)	1,477	5,769	1,464	1,421	1,426	1,480	5,791	1,435	1,425
Milk (bil. lb.)	29.8	123.6	31.0	34.0	32.2	30.5	127.7	31.5	34.7
Choice steers, Omaha (\$/cwt.)	67.18	67.75	66.85	64.65	70.82	66.68	66.68	71-74	77-81
Barrows and gilts, 7 markets (\$/cwt.)	36.39	42.06	36.31	31.18	46.23	46-48	39-41	48-51	49-52
Broilers, 9-city wholesale (cts./lb.)	41.7	44.4	43.0	41.1	53.3	50-52	46-48	51-53	53-55
Turkeys, N.Y., wholesale (cts./lb.)	73.0	68.1	59.0	64.3	68.3	73-75	63-65	68-72	65-69
Eggs, Gr. A large, N.Y. (cts./dz.)	69.4	68.2	62.1	57.0	70.3	77-79	66-68	76-76	74-76
Milk, all at farm (\$/cwt.)	12.77	12.00	12.77	12.60	12.87	13.70-13.90	12.95-13.05	13.90-14.10	13.90-14.30

¹ Quarterly cash receipts and expenses are seasonally adjusted at annual rates. ² Includes net change in farm inventories. ³ Excludes inventory adjustment and noncash income and expenses. Represents cash available for capital expenditures and operator income. ⁴ Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. f = forecast. p = Preliminary.

Farm Income

Cash receipts¹ from farm marketings, by States, January-September

State	Livestock and Products		Crops ²		Total ²	
	1979	1980	1979	1980	1979	1980
	\$Mil.					
NDRTH ATLANTIC						
Maine	229.4	220.9	102.3	76.4	331.6	297.3
New Hampshire	50.1	51.8	18.6	19.5	68.7	71.3
Vermont	231.8	256.4	17.1	17.8	248.9	274.2
Massachusetts	86.7	92.5	92.5	87.0	179.2	179.6
Rhode Island	9.6	10.0	11.8	11.5	21.4	21.5
Connecticut	114.8	121.1	78.0	56.1	192.8	177.2
New York	1,150.2	1,242.3	455.7	516.5	1,605.9	1,758.7
New Jersey	85.3	89.3	212.3	282.7	297.6	372.0
Pennsylvania	1,339.4	1,381.3	508.1	548.2	1,847.4	1,929.4
NORTH CENTRAL						
Ohio	1,042.1	1,041.3	1,314.2	1,374.6	2,356.3	2,416.0
Indiana	1,205.9	1,172.5	1,416.2	1,528.0	2,622.1	2,700.6
Illinois	1,776.0	1,737.8	3,245.1	4,037.0	5,021.1	5,774.8
Michigan	855.5	906.4	868.4	990.1	1,723.9	1,896.5
Wisconsin	2,625.2	2,748.9	483.9	616.0	3,109.1	3,364.9
Minnesota	2,237.1	2,272.1	1,739.8	1,862.7	3,976.9	4,134.8
Iowa	4,270.6	4,182.9	2,790.7	3,317.6	7,061.3	7,500.5
Missouri	1,814.2	1,728.6	1,081.7	1,209.9	2,895.9	2,938.5
North Dakota	466.9	452.8	1,078.8	1,222.2	1,545.7	1,674.9
South Dakota	1,261.8	1,235.3	360.5	526.1	1,622.3	1,761.4
Nebraska	2,911.1	2,831.8	1,202.4	1,639.5	4,113.5	4,471.3
Kansas	2,642.9	2,480.0	1,523.6	1,887.5	4,166.5	4,367.5
SOUTHERN						
Delaware	174.4	169.3	60.8	57.1	235.3	226.4
Maryland	426.0	442.9	197.8	158.5	623.9	601.4
Virginia	562.1	581.4	316.3	307.7	878.4	889.1
West Virginia	114.7	123.1	43.0	41.1	157.7	164.3
North Carolina	1,052.6	1,061.2	1,379.4	1,365.7	2,432.0	2,426.9
South Carolina	279.2	265.7	493.6	462.3	772.8	728.0
Georgia	1,229.9	1,210.7	736.2	737.7	1,966.1	1,948.4
Florida	737.4	709.8	2,296.6	2,712.2	3,034.0	3,422.0
Kentucky	667.0	640.2	587.8	644.8	1,254.9	1,285.0
Tennessee	711.7	730.4	346.3	362.1	1,058.0	1,092.4
Alabama	968.2	947.0	383.4	378.9	1,351.6	1,325.9
Mississippi	682.2	653.1	368.6	502.4	1,050.8	1,155.6
Arkansas	1,161.1	1,116.7	637.0	871.0	1,798.1	1,987.6
Louisiana	395.9	376.0	400.3	457.8	796.2	833.8
Oklahoma	1,628.1	1,529.6	718.8	872.9	2,346.9	2,402.5
Texas	4,511.3	4,343.9	2,454.0	2,670.4	6,965.4	7,014.3
WESTERN						
Montana	248.1	228.3	387.5	438.5	635.6	666.8
Idaho	650.6	641.7	498.4	643.5	1,149.0	1,285.2
Wyoming	316.0	310.1	44.7	52.0	360.7	362.1
Colorado	1,894.2	1,875.1	424.8	549.7	2,319.0	2,424.8
New Mexico	506.1	481.7	119.6	133.1	625.6	614.8
Arizona	667.9	674.3	565.4	731.7	1,233.3	1,406.0
Utah	249.4	270.0	77.0	82.0	326.4	352.1
Nevada	90.0	85.4	32.2	41.6	122.2	127.1
Washington	588.1	595.9	1,137.0	1,297.5	1,725.2	1,893.5
Oregon	474.9	455.0	641.6	695.9	1,116.5	1,150.9
California	3,162.3	3,313.3	4,915.1	5,761.9	8,077.4	9,075.2
Alaska	3.1	3.2	4.4	4.4	7.5	7.6
Hawaii	58.0	59.6	255.1	255.1	313.1	314.7
UNITED STATES	50,617.4	50,150.7	39,124.2	45,116.5	89,741.6	95,267.3

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

Farm marketing indexes (physical volume)

	Annual			1979	1980					
	1977	1978	1979p	Sept	Apr	May	June	July	Aug	Sept
	1967=100									
All commodities.	123	124	127	134	113	112	131	125	125	126
Livestock and products	112	112	110	110	116	117	112	111	108	102
Crop	139	140	151	168	109	107	159	146	149	160

Cash receipts from farming

	1979				1980								
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
	\$ Mil.												
Farm marketings and CCC loans ¹	11,512	15,889	14,075	11,662	11,814	9,901	9,753	9,419	9,452	10,598	11,031	11,473	11,828
Livestock and products	5,655	6,423	5,990	5,518	5,769	6,568	5,577	5,450	5,474	5,371	5,671	5,796	5,475
Meat animals	3,633	4,420	3,855	3,405	3,761	3,636	3,496	3,302	3,264	3,232	3,336	3,614	3,150
Dairy products	1,208	1,243	1,207	1,281	1,294	1,236	1,374	1,379	1,466	1,366	1,374	1,369	1,325
Poultry and eggs	735	684	862	766	664	650	645	697	671	693	887	738	907
Other	79	76	66	66	50	46	62	72	73	80	74	75	93
Crops	5,857	9,466	8,085	6,144	6,045	4,333	4,176	3,969	3,978	5,227	5,360	5,677	6,353
Food grains	1,110	1,152	763	633	655	493	466	456	503	1,256	1,377	1,141	1,184
Feed crops	948	1,822	2,108	1,537	1,899	1,226	1,102	1,116	1,128	1,357	1,323	1,204	1,048
Cotton (lint and seed)	231	657	871	902	636	351	234	183	186	131	144	247	455
Tobacco	458	230	279	202	270	26	6	2	1	0	82	457	547
Oil-bearing crops	1,149	3,557	1,881	1,116	1,481	1,201	1,006	692	648	858	819	811	1,044
Vegetables and melons	825	799	484	392	318	266	400	442	605	646	647	725	907
Fruits and tree nuts	646	730	823	677	373	379	466	491	434	652	576	732	668
Other	490	519	876	685	413	391	496	587	473	327	392	360	500
Government payments	102	122	86	80	55	41	25	113	54	30	27	53	91
Total cash receipts ²	11,614	16,011	14,161	11,742	11,869	9,942	9,778	9,532	9,506	10,628	11,058	11,526	11,919

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1979	1980					
	1977	1978	1979	Nov	June	July	Aug.	Sept	Oct	Nov p
	1967=100									
Prices Received										
All farm products.	183	210	241	238	232	247	256	261	260	265
All crops.	192	203	223	226	226	242	250	259	259	273
Food grains.	156	191	229	256	243	252	259	260	274	286
Feed grains and hay.	181	184	207	206	225	243	256	263	267	282
Feed grains.	174	181	204	200	219	239	252	259	261	278
Cotton.	270	245	258	271	250	322	329	366	335	335
Tobacco.	175	191	207	214	218	217	217	233	223	225
Oil-bearing crops.	243	226	249	231	218	245	258	271	276	304
Fruit.	163	224	240	248	233	209	196	212	225	219
Fresh market ¹ .	163	234	250	259	240	212	196	215	231	223
Commercial vegetables.	176	185	194	190	194	182	189	196	194	210
Fresh market.	197	208	215	209	216	197	208	219	216	241
Potatoes ² .	194	202	178	181	216	314	351	318	241	275
Livestock and products.	175	217	257	251	237	252	262	263	263	259
Meat animals.	168	226	280	263	250	267	278	275	271	261
Dairy products.	193	210	239	256	248	250	254	262	272	278
Poultry and eggs.	174	185	192	191	166	195	207	217	213	220
Prices paid										
Commodities and services, interest, taxes, and wage rates.	202	219	250	258	278	280	283	286	288	290
Production items.	200	217	248	256	270	273	278	282	284	287
Feed.	186	183	204	207	214	223	238	247	252	265
Feeder livestock.	158	221	293	289	267	270	278	282	289	283
Interest payable per acre on farm real estate debt.	339	400	501	501	627	627	627	627	627	627
Taxes on farm real estate.	195	210	226	226	244	244	244	244	244	244
Wage rates (seasonally adjusted).	226	242	265	269	284	288	288	289	288	288
Production items, interest, taxes, and wage rates.	208	227	261	267	287	290	294	297	299	301
Prices received (1910-14=100).	457	524	603	596	579	617	640	653	651	662
Prices paid, etc. (Parity index) (1910-14=100).	687	746	849	876	944	952	962	972	979	987
Parity ratio ³ .	66	70	71	68	61	65	67	67	66	67

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweetpotatoes and dry edible beans. ³ Ratio of index of prices received to index of prices paid, taxes, and wage rates. P preliminary.

Prices received by farmers, U.S. average

	Annual*			1979	1980					
	1977	1978	1979	Nov	June	July	Aug	Sept	Oct	Nov p
Crops										
All wheat (\$/bu.)	2.29	2.82	3.51	3.94	3.69	3.81	3.94	3.99	4.19	4.34
Rice, rough (\$/cwt.)	7.94	9.29	9.05	9.83	10.20	10.80	10.60	10.20	10.90	12.00
Corn (\$/bu.)	2.03	2.10	2.36	2.27	2.49	2.73	2.92	3.01	2.99	3.20
Sorghum (\$/cwt.)	3.11	3.43	3.91	3.99	4.58	5.02	5.12	5.12	6.36	5.62
All hay, baled (\$/ton)	57.10	49.90	56.50	60.30	64.60	66.50	68.20	70.50	74.60	73.60
Soybeans (\$/bu.)	6.82	6.28	6.86	6.30	5.91	6.75	7.18	7.59	7.68	8.42
Cotton, Upland (cts./lb.)	60.5	55.2	58.0	61.0	56.3	72.4	74.0	82.3	75.3	75.3
Potatoes (\$/cwt.)	3.78	3.87	3.16	3.36	3.92	6.49	7.65	6.83	4.62	6.38
Dry edible beans (\$/cwt.)	17.55	18.56	19.50	20.80	23.60	25.60	26.30	24.50	25.30	26.30
Apples for fresh use (cts./lb.)	12.0	16.1	14.3	14.0	21.0	23.7	22.6	17.9	14.5	12.9
Pears for fresh use (\$/ton)	145	301	297	234	450	278	254	244	237	233
Oranges, all uses (\$/box) ¹	2.78	4.67	4.50	4.96	3.54	2.70	1.93	3.04	3.92	4.25
Grapefruit, all uses (\$/box) ¹	1.66	2.39	3.60	3.15	1.93	1.36	1.61	2.84	4.17	2.83
Livestock										
Beef cattle (\$/cwt.)	34.40	48.50	66.00	63.90	61.30	83.20	64.60	63.60	61.80	59.60
Calves (\$/cwt.)	36.90	59.10	88.80	86.30	75.90	75.00	76.30	74.80	74.80	72.90
Hogs (\$/cwt.)	39.40	46.60	41.80	34.50	33.10	41.20	46.20	46.20	47.20	45.30
Lambs (\$/cwt.)	51.30	62.70	66.70	64.90	64.50	65.60	66.20	66.50	64.30	59.40
All milk, sold to plants (\$/cwt.)	9.72	10.60	12.00	12.90	12.50	12.60	12.80	13.20	13.70	14.00
Milk, manuf. grade (\$/cwt.)	8.70	9.55	11.10	11.70	11.70	11.60	11.80	12.20	12.70	12.90
Broilers (cts./lb.)	23.6	26.3	25.9	24.9	24.4	31.7	31.5	32.1	31.7	30.2
Eggs (cts./doz.) ²	55.6	52.2	58.3	57.9	48.4	50.7	58.0	61.9	58.5	66.5
Turkeys (cts./lb.)	35.5	43.6	41.1	45.9	32.0	36.8	39.7	44.0	47.9	49.0
Wool (cts./lb.) ³	72.0	74.5	86.3	89.0	90.8	80.3	88.1	93.1	94.5	92.4

¹ Equivalent on-tree returns. ² Average of all eggs sold by farmers including hatching eggs and eggs sold at retail. ³ Average local market price, excluding incentive payments. *Calendar Year averages. p Preliminary.

Producer and Retail Prices

Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual	1979								
	1979	Oct	Mar	Apr	May	June	July	Aug	Sept	Oct
1967=100										
Consumer price index, all items	217.4	225.4	239.8	242.5	244.9	247.6	247.8	249.4	251.7	253.9
Consumer price index, less food	213.0	221.8	237.1	239.9	242.6	245.5	245.1	246.3	248.6	250.9
All food	234.5	238.2	247.3	249.1	250.4	252.0	254.8	258.7	261.1	262.4
Food away from home	242.9	249.6	260.9	263.0	264.6	266.6	267.8	269.5	271.4	273.1
Food at home	232.9	235.4	243.6	245.3	246.5	248.0	251.5	256.3	258.9	260.0
Meats ¹	241.9	238.6	245.7	242.6	239.2	238.1	243.3	251.1	257.8	258.7
Beef and veal	255.8	256.2	269.1	267.0	264.8	263.8	267.9	273.1	277.5	275.8
Pork	216.4	204.3	202.6	197.1	191.8	190.4	200.3	212.0	222.7	225.8
Poultry	181.5	170.3	180.7	177.2	176.5	177.9	187.9	197.5	205.2	209.1
Fish	302.3	311.5	322.6	325.3	324.5	329.1	330.1	331.8	335.8	336.6
Eggs	172.8	161.3	164.5	161.2	148.4	147.9	154.2	178.3	179.9	175.3
Dairy products ²	207.1	213.3	220.3	222.4	226.2	227.2	228.6	229.7	230.6	232.7
Fats and oils ³	226.3	231.9	236.8	238.3	239.5	240.0	239.3	242.0	243.6	246.0
Fruits and vegetables	230.0	232.0	232.4	240.9	246.6	250.1	253.9	258.4	257.4	254.2
Fresh	235.0	235.5	229.9	245.2	255.1	260.0	265.8	273.0	269.6	262.3
Processed	226.6	230.1	237.2	238.4	239.4	241.4	243.0	244.5	246.3	247.5
Cereals and bakery products	220.1	227.0	238.6	242.0	244.5	245.9	247.8	249.2	250.3	253.7
Sugar and sweets	277.6	283.1	313.5	319.5	326.8	342.0	353.1	355.1	361.1	369.0
Beverages, nonalcoholic	357.8	372.1	387.1	390.3	393.0	395.9	397.4	402.8	403.9	404.9
Apparel commodities less footwear	158.5	162.3	166.2	167.2	166.9	166.4	165.0	167.8	171.8	173.1
Footwear	176.7	182.6	187.0	188.3	189.3	189.0	189.5	190.3	193.2	196.1
Tobacco products	187.9	191.3	198.4	198.8	200.4	203.4	203.8	204.5	204.5	204.5
Beverages, alcoholic	172.4	176.0	181.7	183.9	185.4	186.4	187.2	188.7	189.6	190.4

¹ Beef, veal, lamb, pork, and processed meat. ² Includes butter. ³ Excludes butter.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
	1967=100									
Finished goods ¹	180.6	194.6	215.9	224.2	241.6	243.0	246.6	249.0	248.9	252.2
Consumer foods	189.1	206.8	226.3	226.7	230.0	231.0	239.5	244.9	245.8	245.9
Fruits and vegetables ²	192.2	216.5	229.0	218.0	244.0	233.5	247.5	253.8	266.0	240.4
Eggs	162.0	158.6	176.5	155.9	145.7	146.8	159.3	176.9	199.4	175.2
Bakery products	186.5	201.3	221.4	228.8	244.5	246.0	247.1	247.7	249.0	251.9
Meats	170.7	209.6	233.8	226.4	218.3	221.1	240.1	254.0	249.6	251.2
Beef and veal	157.5	202.2	252.2	249.8	254.6	257.2	269.0	278.7	266.7	264.9
Pork	190.1	219.1	205.0	188.2	163.7	169.5	199.9	219.2	221.4	225.9
Poultry	173.3	194.0	188.6	164.6	165.8	165.3	215.5	213.6	227.6	213.1
Fish	294.3	313.0	383.8	397.3	355.2	354.9	364.3	370.3	367.5	350.0
Dairy products	173.4	188.4	211.2	218.2	228.9	229.9	230.5	233.0	234.1	238.4
Processed fruits and vegetables	187.3	202.6	221.9	223.3	225.2	227.3	229.5	230.6	231.9	234.5
Refined sugar ³	n.a.	108.3	116.3	116.8	221.5	227.3	212.9	232.3	228.9	231.5
Vegetable oil and products	198.6	209.4	223.7	232.6	228.6	229.2	232.7	240.6	240.3	235.7
Consumer finished goods less foods	172.1	183.7	208.1	221.4	246.8	248.8	251.4	262.7	252.3	255.0
Beverages, alcoholic	139.7	148.2	161.3	165.0	172.5	173.2	173.6	179.1	179.8	180.0
Beverages, nonalcoholic	198.1	211.6	227.7	233.1	259.0	259.3	264.1	264.8	267.0	269.5
Apparel	147.3	152.4	160.3	162.1	169.7	172.0	174.1	174.8	174.7	175.5
Footwear	168.7	183.0	217.8	226.9	231.9	232.1	232.9	233.9	236.7	236.8
Tobacco products	179.8	198.5	217.7	221.9	244.6	245.1	247.6	247.6	247.6	248.9
Intermediate materials ⁴	201.7	215.5	242.7	255.0	276.4	278.2	280.3	282.6	284.1	286.3
Materials for food manufacturing	181.7	202.3	223.5	226.5	255.5	260.4	262.6	277.5	275.9	286.4
Flour	118.9	141.6	172.1	183.9	183.5	182.6	188.0	190.0	193.5	197.4
Refined sugar ⁵	n.a.	109.3	119.3	119.3	212.1	222.0	205.3	226.6	222.6	276.6
Crude vegetable oils	197.6	219.2	243.7	240.1	177.5	179.9	193.3	209.4	219.4	210.9
Crude materials ⁶	214.4	240.1	282.2	289.5	300.7	299.6	316.3	327.7	331.8	336.0
Foodstuffs and feedstuffs	190.9	215.3	247.1	247.6	242.9	242.5	263.3	276.6	276.7	279.1
Fruits and vegetables ⁷	192.2	216.5	229.0	217.8	243.8	233.4	247.6	253.8	266.0	240.4
Grains	165.0	182.5	214.8	229.0	219.0	216.3	244.8	266.5	260.6	259.2
Livestock	173.0	220.1	260.3	251.7	233.3	240.0	260.5	275.7	266.8	263.0
Poultry, live	176.4	199.8	194.3	162.0	171.3	166.6	227.2	224.5	241.0	222.9
Fibers, plant and animal	202.3	193.4	209.9	212.9	272.7	247.0	267.0	274.6	295.2	278.5
Milk	202.6	219.7	250.0	258.5	266.4	265.5	265.8	271.6	275.5	280.9
Oilseeds	236.7	224.1	245.5	235.8	215.5	214.0	258.6	259.7	278.7	283.1
Coffee, green	505.1	378.2	416.2	492.7	472.3	469.2	424.2	401.2	403.5	403.0
Tobacco, leaf	176.1	191.5	207.8	n.a.	n.a.	218.7	217.7	217.7	n.a.	n.a.
Sugar, raw cane	149.5	190.2	209.8	223.7	454.9	401.3	380.8	482.7	457.6	586.6
All commodities	194.2	209.3	235.6	246.2	264.2	265.6	269.8	273.1	274.1	277.0
Industrial commodities	195.1	209.4	236.3	248.5	271.9	273.5	275.6	277.3	278.2	281.2
All foods ⁷	186.8	206.5	266.3	226.9	237.4	237.7	245.4	253.9	254.2	258.3
Farm products and processed foods and feeds	188.8	206.6	229.8	230.6	233.8	234.3	246.1	254.8	256.3	258.8
Farm products	192.5	212.5	241.4	239.5	233.5	233.4	253.9	263.6	266.6	263.4
Processed foods and feeds	186.1	202.6	222.5	224.8	233.1	233.9	241.1	249.1	249.8	255.4
Cereal and bakery products	173.2	190.3	210.2	219.2	234.7	233.2	234.6	236.5	238.0	241.3
Sugar and confectionery	177.5	197.8	214.7	218.6	327.9	325.4	313.7	347.1	341.4	399.9
Beverages	200.9	200.0	210.8	219.2	231.2	234.3	234.4	237.3	236.2	236.7
Wholesale spot prices, 9 foodstuffs	208.2	239.1	255.6	252.3	244.4	250.0	270.0	283.7	284.8	290.3

¹ Commodities ready for sale to ultimate consumer. ² Fresh and dried. ³ Consumer size packages. Dec. 1977=100 ⁴ Commodities requiring further processing to become finished goods. ⁵ For use in food manufacturing ⁶ Products entering market for the first time which have not been manufactured at that point. ⁷ Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables. n.a. = not available.

Farm-Retail Price Spreads

Market basket of farm foods

	Annual			1979p	1980p					
	1977	1978	1979p	Oct	May	June	July	Aug	Sept	Oct
Market basket¹:										
Retail cost (1967=100)	179.2	199.4	222.7	224.1	233.6	234.8	238.5	243.5	246.2	247.3
Farm value (1967=100)	178.3	205.6	228.2	222.9	225.4	231.1	245.7	256.4	259.9	254.8
Farm-retail spread (1967=100)	179.7	195.7	219.5	224.6	238.4	236.9	234.3	235.9	238.1	242.8
Farm value/retail cost (%)	36.8	38.2	37.9	36.8	33.7	36.4	38.1	39.0	39.1	38.1
Meat products:										
Retail cost (1967=100)	174.2	206.8	241.9	238.6	239.2	238.1	243.3	251.1	267.8	258.7
Farm value (1967=100)	169.8	206.4	234.6	226.1	213.8	217.4	238.8	252.2	254.8	251.2
Farm-retail spread (1967=100)	179.5	207.3	250.4	253.2	268.9	262.3	248.6	249.8	261.3	267.5
Farm value/retail cost (%)	52.6	53.8	52.3	51.1	48.2	49.2	52.9	54.2	53.3	52.4
Dairy products:										
Retail cost (1967=100)	173.3	185.5	207.0	213.3	226.2	227.2	228.6	229.7	230.6	232.7
Farm value (1967=100)	187.2	204.7	233.0	239.7	250.6	256.3	255.4	258.8	260.9	259.9
Farm-retail spread (1967=100)	161.3	168.8	184.4	190.3	205.0	201.8	205.3	204.3	204.2	209.0
Farm value/retail cost (%)	60.3	51.4	52.4	52.3	51.6	52.5	52.0	52.5	52.7	52.0
Poultry:										
Retail cost (1967=100)	158.1	172.9	181.5	170.3	176.5	177.9	187.9	197.5	205.2	209.1
Farm value (1967=100)	178.5	202.1	198.3	166.5	178.4	184.2	236.8	236.8	243.4	242.6
Farm-retail spread (1967=100)	138.4	144.7	165.2	174.0	174.7	171.8	140.6	159.5	168.2	176.7
Farm value/retail cost (%)	55.5	57.5	53.7	48.1	49.7	50.9	62.0	59.0	58.3	57.1
Eggs:										
Retail cost (1967=100)	169.1	157.8	172.8	161.3	148.4	147.9	154.2	178.3	179.9	175.3
Farm value (1967=100)	187.5	178.9	199.2	176.0	151.8	156.0	161.6	220.0	214.4	190.2
Farm-retail spread (1967=100)	142.5	127.3	134.6	140.1	143.4	136.2	143.5	118.1	130.0	153.7
Farm value/retail cost (%)	65.5	67.0	68.1	64.5	60.5	63.3	61.9	72.9	70.4	64.1
Cereal and bakery products:										
Retail cost (1967=100)	183.7	199.9	220.2	227.0	244.5	245.9	247.8	249.2	250.3	253.7
Farm value (1967=100)	138.2	163.9	190.0	205.5	217.7	218.4	221.8	223.8	234.1	238.9
Farm-retail spread (1967=100)	193.2	207.3	226.3	231.4	250.1	251.6	253.2	254.5	253.7	256.8
Farm value/retail cost (%)	12.9	14.1	14.8	15.5	15.3	15.2	15.4	15.4	16.0	16.2
Fresh fruits:										
Retail cost (1967=100)	187.9	230.1	258.5	272.8	270.9	282.9	294.9	317.7	298.2	283.3
Farm value (1967=100)	177.2	237.9	239.6	258.0	233.2	284.0	305.8	302.0	264.3	236.1
Farm-retail spread (1967=100)	192.7	226.6	267.0	279.5	287.8	282.4	290.0	324.8	313.4	304.5
Farm value/retail cost (%)	29.2	32.0	28.7	29.3	26.7	31.1	32.1	29.4	27.5	25.8
Fresh Vegetables:										
Retail costs (1967=100)	200.6	216.2	222.5	212.2	246.2	247.0	250.1	245.6	253.9	252.4
Farm value (1967=100)	205.4	215.7	206.7	176.1	205.7	220.0	225.5	247.1	256.5	210.0
Farm-retail spread (1967=100)	198.3	216.5	229.9	229.2	265.2	259.7	261.7	244.9	252.7	272.4
Farm value/retail cost (%)	32.8	31.9	29.7	26.5	26.7	28.5	28.8	32.2	32.3	26.6
Processed fruits and vegetables:										
Retail cost (1967=100)	190.2	208.7	226.6	230.1	239.4	241.4	243.0	244.5	246.3	247.5
Farm value (1967=100)	188.5	221.9	236.5	242.8	240.5	240.5	243.5	245.0	245.5	247.6
Farm-retail spread (1967=100)	190.6	205.8	224.4	227.3	239.2	241.6	242.9	244.4	246.5	247.5
Farm value/retail costs (%)	18.0	19.3	18.9	19.1	18.2	18.1	18.2	18.2	18.1	18.1
Fats and Oils:										
Retail cost (1967=100)	192.0	209.6	226.3	231.9	239.5	240.0	239.3	242.0	243.6	246.0
Farm value (1967=100)	249.3	257.4	277.4	259.6	217.8	231.6	253.8	267.6	261.7	257.4
Farm-retail spread (1967=100)	169.9	191.1	206.7	221.3	247.8	243.3	233.7	232.1	236.6	241.6
Farm value/retail cost (%)	36.1	34.1	34.0	31.1	25.3	26.8	29.5	30.7	29.9	29.1

¹ Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

**Consumer Expenditures, Farm Value, And Marketing Bill.
For Domestic Farm Foods**

Item	1972	1973	1974	1975	1976	1977	1978	1979
	\$ Mil							
Consumer expenditures:								
All farm foods.	122,192	138,817	154,614	167,020	183,301	192,298	215,691	245,079
Beef	24,815	27,658	28,226	28,718	33,814	33,989	40,462	45,657
Pork	12,767	14,560	16,384	16,880	18,688	20,242	21,879	24,654
Other red meats.	1,458	1,462	1,651	2,423	2,358	2,411	2,477	1,702
Poultry.	5,926	7,996	7,581	7,187	9,155	9,580	11,103	12,660
Eggs	3,097	4,337	4,335	3,555	4,758	4,699	4,056	6,197
Fluid milk & cream.	9,489	9,974	11,161	11,258	12,396	12,726	13,024	14,363
Other dairy	8,468	9,320	10,663	12,059	13,991	14,714	17,210	19,227
Fresh fruits	3,627	4,303	6,008	5,611	6,973	6,356	9,411	9,861
Fresh vegetables.	8,146	10,056	10,076	10,675	11,178	12,670	14,625	13,528
Processed fruits	3,573	4,125	4,281	5,463	5,512	6,041	7,605	7,227
Processed vegetables.	9,285	10,124	13,006	13,886	15,883	16,663	16,669	20,504
Grain mill products.	3,419	4,203	5,164	5,934	6,084	6,111	6,753	7,899
Bakery products	11,916	13,008	15,445	18,216	18,617	19,799	21,550	27,293
Fats & oils.	4,618	5,307	7,606	6,821	8,424	7,260	8,571	10,353
Other foods	11,588	12,384	14,126	18,337	18,270	19,157	20,516	24,969
Farm value:								
All farm foods.	39,310	51,671	56,446	55,810	58,264	58,030	69,696	80,595
Beef	11,840	14,321	13,081	12,762	13,998	14,143	19,794	22,722
Pork	4,629	6,375	6,227	7,272	7,079	8,725	7,409	8,200
Other red meats.	583	574	536	616	656	766	803	923
Poultry.	2,324	3,908	3,378	4,061	3,996	4,149	6,302	5,394
Eggs	1,433	2,533	2,448	2,291	2,609	2,397	2,106	2,642
Fluid milk & cream.	3,902	4,415	6,112	5,298	6,840	6,646	6,243	7,136
Other dairy	3,155	3,796	4,269	4,689	6,408	5,395	6,708	7,607
Fresh fruits	1,046	1,413	1,313	1,557	1,532	1,629	2,201	2,217
Fresh vegetables.	2,518	3,109	2,987	3,391	3,611	3,380	3,380	3,764
Processed fruits	883	984	1,148	1,136	1,242	1,345	1,879	2,175
Processed vegetables.	1,287	1,841	2,841	2,275	2,530	2,323	2,714	2,871
Grain mill products.	613	939	1,165	1,184	1,009	854	998	1,769
Bakery products	1,728	2,699	3,694	3,022	2,626	2,327	2,740	3,862
Fats and oils.	1,192	1,957	3,516	2,333	2,023	2,591	2,698	3,731
Other foods	2,178	2,807	4,731	3,821	4,307	4,370	4,721	5,782
Marketing bill:								
All farm foods.	82,882	87,146	98,168	111,410	125,037	134,268	145,995	164,484
Beef	12,976	13,337	15,145	15,954	19,818	19,826	20,658	22,935
Pork	8,138	8,185	10,157	9,608	11,609	13,517	14,270	16,454
Other red meats.	875	888	1,115	1,905	1,802	1,645	1,674	779
Poultry.	3,602	4,088	4,203	3,126	6,159	5,431	5,801	7,266
Eggs	1,664	1,804	1,888	1,264	2,149	2,302	1,950	2,555
Fluid milk & cream.	5,587	5,559	6,049	5,960	8,556	7,080	6,781	7,227
Other dairy	6,313	5,524	6,394	7,370	8,583	9,319	10,502	11,620
Fresh fruits	2,582	2,890	3,695	4,054	4,441	4,727	7,210	7,834
Fresh vegetables.	5,628	6,947	7,089	7,284	7,667	9,190	11,245	9,759
Processed fruits	2,690	3,141	3,133	4,327	4,270	4,696	5,726	5,052
Processed vegetables.	7,998	8,283	10,165	11,610	13,353	14,340	13,945	17,833
Grain mill products.	2,806	3,264	3,999	4,750	5,075	6,257	5,755	6,130
Bakery products	10,188	10,309	11,761	15,194	10,191	17,472	18,810	23,431
Fats & oils.	3,426	3,350	3,990	4,488	4,401	4,679	5,873	6,622
Other foods	9,410	9,577	9,395	14,516	13,983	14,787	15,795	19,187

¹ Preliminary.

Farm-retail price spreads

	Annual			1979	1980 p					
	1977	1978	1979	Oct.	May	June	July	Aug	Sept	Oct.
Beef, Choice:¹										
Retail price ² (cts./lb.)	148.4	181.9	226.3	224.3	230.4	230.6	237.8	242.2	244.5	241.0
Net carcass value ³ (cts.)	93.8	119.3	150.5	145.9	152.2	156.4	163.2	165.4	160.1	156.6
Net farm value ⁴ (cts.)	85.5	111.1	140.8	136.9	142.7	146.1	153.5	155.2	150.0	145.2
Farm-retail spread (cts.)	62.9	70.8	85.5	87.4	87.7	84.5	84.3	87.0	94.5	95.8
Carcass-retail spread ⁵ (cts.)	54.6	62.6	75.8	78.4	78.2	74.1	74.6	76.8	84.4	84.4
Farm-carcass spread ⁶ (cts.)	8.3	8.2	9.7	9.0	9.5	10.3	9.7	10.2	10.1	11.4
Farm value/retail price (%)	58	61	62	62	62	64	65	64	61	60
Pork:¹										
Retail price ² (cts./lb.)	125.4	143.6	144.1	134.3	123.6	124.4	136.2	145.7	151.0	153.2
Wholesale value ³ (cts.)	99.0	107.7	100.4	90.1	79.5	87.6	101.5	111.0	110.6	113.3
Net farm value ⁴ (cts.)	65.6	76.6	66.6	54.1	46.6	55.5	68.2	76.4	74.1	76.1
Farm-retail spread (cts.)	59.8	67.0	77.5	80.2	77.0	68.9	68.0	69.3	76.9	77.1
Wholesale-retail spread ⁵ (cts.)	26.4	35.9	43.7	44.2	44.1	36.8	34.7	34.7	40.4	42.1
Farm-wholesale spread ⁶ (cts.)	33.4	31.1	33.8	36.0	32.9	32.1	33.3	34.6	36.5	38.3
Farm value/retail price (%)	52	53	46	40	38	45	50	52	49	48

¹ Revised series, for historical data and methodology see August 1978 issue of *Livestock and Meat Situation*, LMS-222. ² Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from USDA's meat price survey. ³ Value of carcass quantity equivalent to 1 lb. of retail cuts-beef adjusted for value of fat and bone byproducts. ⁴ Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. ⁵ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁶ Represents charges made for livestock marketing, processing and transportation to city where consumed. p Preliminary.

Livestock and Products

Poultry and eggs:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Eggs										
Farm Production (mil.)	64,888	67,278	69,227	5,870	5,781	5,570	5,714	6,745	5,696	5,924
Average number of layers on farms (mil.)	275	282	288	290	279	279	281	284	289	291
Rate of lay (eggs per layer)	236	239	240	20.2	20.7	19.9	20.3	20.2	19.7	20.4
Cartoned price, New York, grade A large (cts./doz.) ¹	63.3	61.7	68.2	63.2	55.1	59.0	68.1	69.9	72.8	—
Price of laying feed (\$/ton)	152	152	168	174	176	176	179	193	199	206
Egg-feed price ratio (lb.) ²	7.3	6.9	7.0	6.1	5.3	5.5	5.7	6.0	6.2	5.7
Stocks, beginning of period:										
Shell (thou. cases)	28	39	38	31	29	47	50	38	29	39
Frozen (mil. lb.)	26.1	29.7	25.3	24.1	25.9	26.6	29.2	29.4	30.7	29.8
Replacement chicks hatched (mil.)	502	492	519	39.5	46.6	41.6	37.3	37.4	36.7	36.6
Broilers										
Federally inspected slaughter, certified (mil. lb.)	9,227	9,883	10,916	1,038.0	982.3	952.6	929.7	905.0	924.6	n.a.
Wholesale price, 9-city, (cts./lb.)	40.8	44.5	44.4	37.0	41.1	43.3	52.8	52.4	54.8	61.4
Price of broiler grower feed (\$/ton)	171	169	189	196	189	190	192	212	222	228
Broiler-feed price ratio (lb.) ²	2.7	3.1	2.8	2.2	2.5	2.6	3.3	3.0	2.9	2.8
Stocks, beginning of period (mil. lb.)	32.9	29.4	20.1	28.7	31.3	30.4	34.8	31.8	30.9	27.4
Average weekly placements of broiler chicks, 21 States (mil.)	66.6	70.9	76.3	68.5	81.5	81.9	77.9	71.6	73.6	74.1
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	1,892	1,983	2,182	297.5	177.5	204.2	240.2	225.5	239.8	n.a.
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	54.0	66.7	68.1	68.5	53.3	55.5	63.3	67.2	74.5	77.0
Price of turkey grower feed (\$/ton)	184	182	202	207	204	208	213	230	240	247
Turkey-feed price ratio (lb.) ²	3.8	4.6	4.1	3.9	3.1	3.1	3.6	3.5	3.7	3.9
Stocks, beginning of period (mil. lb.)	203.4	167.9	175.1	432.3	210.8	236.6	288.6	326.8	384.0	398.8
Poults hatched (mil.)	148.4	157.5	180.0	9.0	21.1	20.2	18.6	12.2	8.9	10.0

¹ Price of cartoned eggs to volume buyers for delivery to retailers. ² Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Meat animals:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Cattle on feed (7-States)										
Number on feed (thou. head) ¹	8,213	8,927	9,226	7,415	6,828	6,853	6,793	6,887	7,045	7,251
Placed on feed (thou. head) ²	20,809	22,593	19,877	2,385	1,602	1,450	1,519	1,618	1,736	2,246
Marketings (thou. head)	18,701	20,297	18,793	1,639	1,369	1,397	1,346	1,399	1,457	1,576
Other disappearance (thou. head)	1,383	1,997	1,856	144	208	113	79	61	73	130
Beef steer-corn price ratio, Omaha (bu.) ³	19.9	24.8	28.7	27.8	26.6	26.5	25.1	24.3	23.1	21.3
Hog-corn price ratio, Omaha (bu.) ³	20.2	22.9	18.1	14.6	12.0	13.8	16.3	16.1	15.7	15.2
Commercial slaughter (thou. head)*										
Cattle	41,856	39,552	33,678	3,038	2,782	2,700	2,833	2,855	2,925	3,220
Steers	19,342	18,526	17,363	1,495	1,480	1,412	1,440	1,345	1,422	1,533
Heifers	11,748	11,758	9,725	929	787	769	820	904	874	950
Cows	9,864	8,470	5,923	551	458	457	508	539	559	666
Bulls and stags	902	798	639	63	57	62	65	67	67	72
Calves	5,517	4,170	2,824	254	184	181	211	208	227	257
Sheep and lambs	6,356	5,369	5,017	474	469	416	439	447	491	532
Hogs	77,303	77,315	89,099	9,101	8,551	7,622	7,213	7,042	7,911	8,740
Commercial production (mil. lb.)										
Beef	24,986	24,010	21,254	1,942	1,785	1,726	1,781	1,775	1,827	2,026
Veal	794	600	413	37	29	30	31	31	33	37
Lamb and mutton	341	300	284	26	27	22	23	23	26	29
Pork	13,051	13,209	15,290	1,551	1,473	1,313	1,231	1,191	1,335	1,485
Dol. per 100 pounds										
Market prices										
Slaughter cattle:										
Choice steers, Omaha	40.38	52.34	67.67	65.81	64.58	66.29	70.47	72.31	69.68	67.18
Utility cows, Omaha	25.32	36.79	50.10	47.71	42.78	44.06	43.33	45.53	46.56	45.93
Choice vealers, S. St. Paul	48.19	69.24	91.41	96.48	71.88	72.00	73.00	79.12	85.00	83.40
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	40.19	58.78	83.08	81.29	69.18	72.25	73.32	76.40	77.60	76.05
Slaughter hogs:										
Barrows and gilts, 7-markets	41.07	48.49	42.06	34.70	29.50	35.17	43.16	48.30	47.24	48.15
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	35.42	48.16	35.26	22.42	20.37	22.24	24.48	33.46	33.25	37.75
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	54.28	65.33	68.45	66.50	61.75	69.00	69.00	69.25	68.25	66.19
Ewes, Good, San Angelo	19.19	28.97	32.82	25.55	25.00	22.00	22.00	19.00	20.12	21.90
Feeder lambs:										
Choice, San Angelo	55.12	75.61	77.53	70.00	57.42	65.38	65.38	65.44	67.62	69.75
Wholesale meat prices, Midwest⁵										
Choice steer beef, 600-700 lb.	62.69	80.43	101.62	98.32	102.00	105.18	110.11	111.96	107.97	105.49
Canner and Cutter cow beef	51.58	74.61	100.23	97.59	87.70	88.19	89.47	93.03	93.75	90.88
Pork loins, 8-14 lb.	83.04	95.99	91.35	80.07	70.73	79.80	87.22	95.06	95.32	96.74
Pork bellies 12-14 lb.	54.19	62.50	46.00	33.51	29.40	32.51	45.69	55.60	54.72	57.21
Hams, skinned, 14-17 lb.	76.50	86.37	77.04	75.84	0	60.30	0	80.39	83.55	87.10
	Annual			1979	1980					
	1977	1978	1979	II	III	IV	I	II	III	IV
Cattle on feed (23-States):										
Number on feed (thou. head) ¹	11,948	12,811	12,681	11,074	10,309	9,938	11,713	10,203	9,619	9,986
Placed on feed (thou. head) ²	27,651	29,073	26,062	6,149	5,957	8,077	5,217	5,625	6,412	—
Marketings (thou. head)	24,853	26,645	24,600	6,146	5,976	5,731	6,155	5,620	5,746	—
Other disappearance (thou. head) ²	1,935	2,558	2,404	768	352	571	572	589	299	—
Hogs and pigs (14-States):⁶										
Inventory (thou. head) ¹	47,120	48,308	51,220	50,935	55,540	57,270	57,330	55,005	55,140	55,560
Breeding (thou. head) ¹	6,788	7,324	8,095	8,333	8,696	8,277	8,082	8,099	7,829	7,447
Market (thou. head) ¹	40,332	40,984	43,125	42,602	46,844	48,993	48,811	46,636	47,311	48,113
Farrowings (thou. head)	10,362	10,609	12,320	3,486	3,159	3,043	2,745	3,391	2,853	—
Pig crop (thou. head)	74,161	75,664	87,412	24,994	22,606	21,546	19,627	24,856	20,453	—

¹ Beginning of period. ² Other disappearance excluded in 1973; not comparable with 1974 and 1975. ³ Bushels of corn equal in value to 100 pounds liveweight. ⁴ 220-240 lb. Beginning in January 230-240 lb. ⁵ Prior to Oct. 1975, Chicago. ⁶ Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). ⁷ Intentions. * Classes estimated.

Dairy:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Milk production:										
Total milk (mil. lb.)	122,698	121,609	123,623	10,108	11,609	11,409	11,019	10,786	10,352	10,454
Milk per cow (lb.)	11,181	11,218	11,471	936	1,075	1,055	1,017	993	962	960
Number of milk cows (thou.)	10,974	10,841	10,777	10,795	10,797	10,812	10,840	10,864	10,876	10,884
Milk prices, Minnesota-Wisconsin,										
3.5% fat (\$/cwt.) ¹	8.58	9.57	10.91	11.25	11.66	11.68	11.73	11.86	12.07	12.42
Price of 16% dairy ration (\$/ton)	140	138	156	163	155	157	170	180	188	192
Milk-feed price ratio (lb.) ²	1.39	1.53	1.54	1.55	1.53	1.50	1.47	1.42	1.39	1.42
Stocks, beginning										
Total milk equiv. (mil. lb.) ³	5,708	8,626	8,730	10,027	9,886	11,137	11,871	12,624	12,912	12,938
Commercial (mil. lb.)	5,299	4,916	4,475	6,563	5,958	6,263	6,181	6,110	6,013	5,935
Government (mil. lb.)	410	3,710	4,254	3,464	3,929	4,874	5,690	6,515	6,899	7,003
Imports, total equiv. (mil. lb.) ³	1,968	2,310	2,305	209	123	131	149	150	207	n.a.
USDA net removals:										
Total milk equiv. (mil. lb.) ³	6,080	2,743	2,119	2,110	1,630.0	1,483.2	856.5	394.9	206.6	432.2
Butter:										
Production (mil. lb.)	1,085.6	994.3	984.6	78.0	116.4	93.8	85.0	77.7	77.2	n.a.
Stocks, beginning (mil. lb.)	47.1	184.9	206.9	220.4	234.1	276.7	289.4	301.0	306.4	304.9
Wholesale price, Grade A Chd. (cts./lb.)	98.4	109.8	122.4	128.8	136.9	139.0	139.3	144.6	145.1	147.1
USDA net removals (mil. lb.)	221.8	112.0	81.6	9.8	60.8	44.6	11.6	⁴ 2.7	.7	16.6
Commercial disappearance (mil. lb.)	859.8	903.5	895.0	78.4	55.0	60.0	77.1	73.9	77.4	n.a.
American cheese:										
Production (mil. lb.)	2,043.1	2,074.2	2,187.7	174.4	230.6	223.1	205.9	192.7	181.5	n.a.
Stocks, beginning (mil. lb.)	411.4	422.1	378.8	456.8	416.1	450.9	490.2	537.9	656.4	565.8
Wholesale price, Wis. assembly pt. (cts./lb.)	96.8	107.1	123.8	128.8	131.0	130.9	130.8	132.6	136.9	141.2
USDA net removals (mil. lb.)	148.2	39.7	40.2	.7	37.7	57.0	62.0	45.3	19.2	8.8
Commercial disappearance (mil. lb.)	1,958.8	2,064.7	2,110.9	193.1	168.5	159.2	149.3	172.2	167.0	n.a.
Other Cheese:										
Production (mil. lb.)	1,315.5	1,445.5	1,527.6	133.6	129.1	131.1	123.6	124.0	133.5	n.a.
Stocks, beginning (mil. lb.)	67.1	64.0	78.4	94.4	106.9	107.3	111.9	114.0	114.1	114.1
Commercial disappearance (mil. lb.)	1,512.3	1,655.5	1,730.7	149.4	141.3	141.3	137.2	139.6	155.9	n.a.
Nonfat dry milk:										
Production (mil. lb.)	1,106.6	920.4	908.7	58.3	133.4	132.6	122.1	102.1	75.8	n.a.
Stocks, beginning (mil. lb.)	485.4	677.9	585.1	549.6	483.3	507.7	548.4	540.7	682.4	699.0
Wholesale price, avg. manf. (cts./lb.)	66.5	71.4	80.0	83.4	88.7	88.8	88.9	89.2	89.7	n.a.
USDA net removals (mil. lb.)	461.7	285.0	255.3	18.6	89.7	103.1	96.2	48.6	33.9	38.3
Commercial disappearance (mil. lb.)	682.2	558.4	603.1	42.8	19.3	33.3	45.4	62.8	75.7	n.a.
Frozen dessert production (mil. gal.) ⁴	1,167.6	1,173.5	1,152.9	92.8	106.8	117.6	126.9	119.7	103.6	n.a.

¹ Manufacturing grade milk. ² Pounds of 16% protein ration equal in value to 1 pound of milk. ³ Milk equivalent, fat-solids basis. ⁴ Ice cream, ice milk, and sherbert.

⁵ Domestic sales exceeded purchases. n.a. = not available.

Wool:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug.	Sept	Oct
U.S. wool price, Boston ¹ (cts./lb.)	183	189	218	230	225	233	246	251	253	253
Imported wool price, Boston ² (cts./lb.)	224	230	257	257	253	259	258	259	267	271
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	95,485	102,246	101,206	9,679	9,190	8,326	7,471	8,372	7,722	n.a.
Carpet wool (thou. lb.)	12,526	13,009	9,846	831	712	626	688	857	699	n.a.

¹ Wool price delivered at U.S. mills, clean basis. Graded Territory 64's (20.60-22.04 microns) staple 2 1/2" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. ² Wool price delivered at U.S. mills, clean basis, Australian 60/52's, type 64A (24 micron), including duty (25.5 cents). Duty in 1980 is 20.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding. n.a. not available.

Crops and Products

Feed grains:

	Marketing year ¹			1979	1980					
	1976/77	1977/78	1978/79	Oct	May	June	July	Aug	Sept	Oct
Wholesale Prices:										
Corn, No. 2 yellow, Chicago (\$/bu.)	2.30	2.26	2.54	2.73	2.70	2.70	3.08	3.36	3.44	3.43
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	3.49	3.54	4.00	4.42	4.31	4.49	5.36	6.71	5.61	5.65
Barley, feed, Minneapolis (\$/bu.)	2.35	1.68	1.80	2.34	2.09	2.15	2.48	2.39	2.43	2.77
Barley, malting, Minneapolis (\$/bu.) ²	3.13	2.27	2.38	3.18	2.82	2.99	3.36	3.27	3.63	3.80
Exports:										
Corn (mil. bu.)	1,684	1,948	2,133	215	171	193	198	207	204	242
Feed grains (mil. metric tons) ³	50.6	56.3	60.2	6.2	5.1	5.7	5.7	5.9	5.8	6.9

	Marketing year ¹			1979				1980		
	1976/77	1977/78	1978/79	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept p
Corn:										
Stocks, beginning (mil. bu.)	399	884	1,104	6,203	4,423	3,232	1,286	6,773	4,780	3,587
Domestic use:										
Feed (mil. bu.)	3,587	3,710	4,198	1,224	695	881	1,474	1,276	692	955
Food, seed, ind. (mil. bu.)	613	551	575	129	109	201	141	135	116	233
Feed grains:³										
Stocks, beginning (mil. metric tons)	17.2	29.9	41.2	190.4	135.1	99.4	65.0	203.4	142.1	105.8
Domestic use:										
Feed (mil. metric tons)	112.6	117.3	133.1	38.3	21.2	30.1	45.7	39.0	20.5	30.0
Food, seed, ind. (mil. metric tons)	17.9	18.8	19.7	4.5	4.0	6.6	4.7	4.6	4.2	7.4

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² No. 3 or better, 65% or better, plump beginning October 1977. ³ Aggregated data for corn, sorghum, oats, and barley. p. Preliminary.

Food grains:

	Marketing Year ¹			1979	1980					
	1976/77	1977/78	1978/79	Oct	May	June	July	Aug	Sept	Oct
Wholesale Prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	2.88	2.72	3.38	4.39	4.10	4.07	4.21	4.31	4.45	4.70
Wheat, DNS, Minneapolis (\$/bu.) ²	2.96	2.66	3.17	4.31	4.21	4.19	4.54	4.22	4.17	4.62
Flour, Kansas City (\$/cwt.)	7.21	6.60	7.81	10.10	10.01	9.84	10.00	10.11	10.48	10.60
Flour, Minneapolis (\$/cwt.)	8.34	7.34	8.17	10.56	10.38	10.34	11.03	10.96	10.98	11.11
Rice, S.W. La. (\$/cwt.) ³	14.60	21.30	18.40	22.05	23.25	21.80	20.90	20.75	22.00	23.40
Wheat:										
Exports (mil. bu.)	950	1,124	1,194	153	92	101	127	147	143	166
Mill grind (mil. bu.)	628	616	622	59	50	48	52	53	65	—
Wheat flour production (mil. cwt.)	279	275	278	26	23	21	23	24	25	—
	Marketing year ¹			1979				1980		
	1976/77	1977/78	1978/79	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Wheat:										
Stocks, beginning (mil. bu.)	665	1,112	1,177	1,833	1,226	925	2,272	1,716	1,225	925
Domestic use:										
Food (mil. bu.)	588	586	692	147	99	198	157	145	95	198
Feed and seed (mil. bu.) ⁴	160	263	265	36	34	86	11	63	36	83
Exports (mil. bu.)	950	1,124	1,194	224	168	511	388	283	193	518

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by residual.

Fats and oils:

	Marketing Year ¹			1979	1980					
	1976/77	1977/78	1978/79	Oct	May	June	July	Aug	Sept	Oct
Soybeans:										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	7.36	6.11	6.75	6.52	6.02	6.14	7.20	7.36	7.87	8.06
Crushings (mil. bu.)	790.2	927.7	1,017.8	95.8	93.8	82.0	84.9	83.7	81.6	---
Processing margin (\$/bu.) ²19	.29	.36	.74	.19	.17	.19	.36	.34	.33
Exports (mil. bu.)	564.1	723.4	753.0	88.9	74.2	58.7	49.1	57.7	41.4	---
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	23.9	23.8	27.4	27.9	20.8	21.7	26.2	25.9	26.1	25.1
Production (mil. lb.)	8,577.9	10,291.4	11,323.0	1,020.3	1,008.3	901.7	927.8	913.8	889.9	---
Domestic disappearance (mil. lb.)	7,454.4	8,192.4	894.2	841.9	700.7	617.0	738.6	782.3	776.2	---
Exports (mil. lb.)	1,547.5	2,137.1	2,334.0	136.4	335.1	203.2	120.8	173.6	176.7	---
Stocks, beginning (mil. lb.)	1,250.6	766.6	771.0	775.8	1,156.2	1,156.2	1,225.9	1,294.2	1,263.0	1,200.0
Soybean meal:										
Wholesale price, 44% protein, Decatur (\$/ton)	199.80	161.87	190.10	181.40	166.50	160.90	187.90	207.40	234.50	263.80
Production (thou. ton)	18,488.1	22,398.9	24,354.0	2,285.8	2,247.0	1,922.0	1,989.5	1,944.9	1,961.8	---
Domestic disappearance (thou. ton)	14,000.8	16,287.2	1,772.0	1,805.2	1,423.4	1,425.0	---	---	1,943.6	---
Exports (thou. ton)	4,559.2	7,542.7	6,610	613.7	750.7	558.0	568.6	379.1	550	---
Stocks, beginning (thou. ton)	354.9	228.3	243	267.4	226.1	295.8	262.0	232.4	262.1	225.3
Margarine, wholesale price, Chicago (cts./lb.)	31.4	39.1	43.5	51.0	44.0	44.7	48.6	49.0	48.3	47.3

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975, and 1976 for margarine. ² Spot basis, Illinois shipping points.

Fruit:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Wholesale price indexes:										
Fresh fruit (1967=100)	177.5	217.6	230.4	236.4	244.3	224.0	250.1	268.0	267.3	223.4
Dried fruit (1967=100)	338.4	355.3	530.7	412.0	374.8	375.8	376.9	376.9	381.7	397.3
Canned fruit and juice (1967=100)	190.4	213.9	240.2	248.1	255.3	257.3	257.6	256.4	257.5	258.8
Frozen fruit and juice (1967=100)	196.5	232.0	248.5	251.1	247.4	243.2	244.0	229.3	243.1	243.1
F.o.b. shipping point prices:										
Apples, Yakima Valley (\$/ctn.) ¹	n.a.	n.a.	n.a.	9.25	13.24	14.9	15.64	n.a.	12.38	8.54
Pears, Yakima Valley (\$/box) ²	n.a.	n.a.	n.a.	n.a.	15.31	n.a.	n.a.	n.a.	n.a.	n.a.
Oranges, U.S. avg. (\$/box)	7.44	10.69	12.94	12.80	8.82	9.04	9.42	8.99	10.60	12.00
Grapefruit, U.S. avg. (\$/box)	6.27	6.72	7.96	9.67	8.88	9.42	8.23	9.25	10.10	9.52
Stocks, beginning:										
Fresh apples (mil. lb.)	³ 2,249.0	³ 2,624.5	³ 2,789.6	3,870.2	322.1	140.2	19.8	3.4	1,550.0	4,335.9
Fresh pears (mil. lb.)	³ 211.6	³ 195.3	³ 157.6	251.9	2.5	n.a.	38.7	63.2	435.4	350.3
Frozen fruit (mil. lb.)	³ 538.9	³ 517.9	³ 557.2	618.7	340.9	419.6	50.0	603.9	628.6	659.3
Frozen fruit juices (mil. lb.)	³ 844.1	³ 714.0	³ 733.1	755.3	1,768.7	1,816.8	1,643.9	1,452.3	1,210.1	1,091.0

¹ Red Delicious, Washington extra fancy, carton tray pack, 80-125's. ² D'Anjou pears, Washington wrapped, U.S. No.1, 90-135's C.A. storage. ³ Stocks as of January 1 of year listed. n.a. = not available.

Cotton:

	Marketing year ¹			1979	1980					
	1976/77	1977/78	1978/79	Oct	May	June	July	Aug	Sept	Oct
U.S. price, SLM, 1-1/16 in. (cts./lb.) ²	70.9	52.7	61.6	62.9	78.3	72.4	79.0	85.6	87.5	85.8
Northern Europe prices:										
Index (cts./lb.) ³	81.7	70.6	76.1	78.0	88.4	84.1	88.9	96.4	100.6	98.7
U.S., SM 1-1/16 in. (cts./lb.) ⁴	82.4	66.0	76.3	78.4	95.3	85.4	93.5	102.3	106.9	103.8
U.S. mill consumption (thou. bales)	6,674.4	6,462.5	6,434.8	654.4	618.6	495.3	508.0	461.3	474.6	---
Exports (thou. bales)	4,783.6	5,484.1	6,180.2	410.9	956.2	721.3	567.7	422.5	412.4	---

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index, average of five lowest priced of 10 selected growths. ⁴ Memphis territory growths.

Vegetables:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug.	Sept	Oct
Wholesale Prices:										
Potatoes, white, f.o.b. East (\$/cwt.) . . .	5.52	5.20	4.54	4.49	5.04	7.06	7.93	8.02	6.23	9.11
Iceberg lettuce (\$/ctrn.) ¹	3.23	5.10	5.10	4.26	6.31	2.70	3.75	3.86	5.31	4.01
Tomatoes (\$/ctrn.) ²	7.21	6.65	7.86	7.52	9.36	9.10	5.32	6.86	7.63	8.54
Wholesale price index, 10 canned veg. (1967=100)	170	175	191	192	192	198	199	203	211	199
Grower price index, fresh commercial veg. (1967=100)	197	209	215	191	231	216	197	208	219	212

¹ Std. carton 24's f.o.b. shipping point. ² 6 x 6-6 x 6, f.o.b. Fla-Cal.

Sugar:

	Annual			1979	1980					
	1977	1978	1979	Oct.	May	June	July	Aug	Sept	Oct.
U.S. raw sugar price, N.Y. (cts./lb.) ¹ . . .	\$10.99	—	—	—	31.89	32.10	28.75	33.14	\$35.93	\$41.69
U.S. deliveries (thou. short tons) ^{2 3} . . .	11,207	10,849	\$10,714	921	936	875	907	900	\$906	\$895

¹ Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid August 1979 after being suspended November 3, 1977. ² Raw value. ³ Excludes Hawaii. ⁴ Ten month average. ⁵ Preliminary.

Tobacco:

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Prices at auctions:										
Flue-cured (cts./lb.) ¹	117.6	135.0	140.0	138.2	—	—	131.6	—	153.5	n.a.
Burley (cts./lb.) ¹	120.0	131.0	145.2	—	—	—	—	—	—	—
Domestic consumption²										
Cigarettes (bil.)	592.0	614.3	613.8	524.4	50.5	53.7	43.5	55.4	54.8	n.a.
Large cigars (mil.)	4,961	4,701	4,297	2,839	349.1	364.2	244.2	272.7	2,939.6	n.a.

¹ Crop year July-June for flue-cured, October-September for burley. ² Taxable removals. n.a. not available.

Coffee

	Annual			1979	1980					
	1977	1978	1979	Oct	May	June	July	Aug.	Sept. p	Oct. p
Composite green price, N.Y. (cts./lb.) . . .	256.38	162.32	174.27	202.62	195.29	188.22	174.50	167.24	164.78	*158.83
Imports, green bean equivalent (mil.lb.) ¹ .	1,974	2,448	2,656	259	208	221	205	172	142	*176
	Annual			1979	1980					
	1977	1978	1979	Apr-June	Jul-Sept	Oct-Dec p	Jan-Mar	Apr-June	July-Sept	Oct.-Dec p
Roastings (mil. lb.) ²	1,892	2,156	2,249	569	497	564	568	532	502	565

¹ Green and processed coffee. ² Instant soluble and roasted coffee. p Preliminary. *Forecast.

Supply and Utilization: Crops

Supply and utilization of major crops¹

	Domestic measure ²				Metric measure ³			
	1978/79	1979/80 Estimated	1980/81		1978/79	1979/80 Estimated	1980/81	
			Projected	Probable variability*			Projected	Probable variability*
Wheat:			Mil. acres				Mil. hectares	
Area								
Planted	66.3	71.6	80.9	—	26.8	—	—	—
Harvested	56.9	62.6	71.6	—	22.9	—	—	—
			Bu. per acre				Metric tons per hectare	
Yield per harvested unit	31.6	34.2	33.0	—	2.2	—	—	—
			Mil. bu.				Mil. metric tons	
Beginning stocks	1,177	925	903	—	32.0	25.2	24.6	—
Production	1,798	2,142	2,362	+35 to -35	48.9	58.3	64.3	—
Imports	1	2	2	—	—	—	—	—
Supply, total	2,976	3,069	3,267	+35 to -35	80.9	83.5	88.9	—
Domestic	857	791	835	+55 to -55	23.3	21.5	22.7	—
Exports	1,194	1,375	1,525	+100 to -100	32.5	37.4	41.5	—
Use, total	2,051	2,166	2,360	+125 to -125	55.8	58.9	64.2	—
Ending stocks	925	903	907	+125 to -125	25.2	24.6	24.7	—
			Dol. per bu.				Dol. per metric ton	
Price received by farmers	2.98	³ 3.82	³ 3.95-4.25	—	109	³ 140	³ 145-156	—
Price, Kansas City, No. 1 HRW	3.38	4.25	⁴ 4.35	—	124	156	⁴ 160	—
Rice			Mil. acres				Mil. hectares	
Area								
Allotment	1.80	1.80	1.80	—	73	—	—	—
Planted	2.99	3.00	3.36	—	1.23	—	—	—
Harvested	2.97	2.87	3.34	—	1.23	—	—	—
			Lb. per acre				Metric tons per hectare	
Yield per harvested unit	4,484	4,586	4,367	—	5.06	—	—	—
			Mil. cwt. (rough equiv.)				Mil. metric tons (milled basis)	
Beginning stocks	27.4	31.6	25.7	—	0.9	1.0	.8	—
Production	133.2	131.6	146.1	+3 to -3	4.3	4.3	4.8	—
Imports	1	1	—	—	—	—	—	—
Supply, total	160.7	163.3	171.8	+3 to -3	5.2	5.3	5.6	—
Domestic	48.0	46.9	50.0	+2 to -2	1.7	1.8	1.7	—
Exports	76.9	84.5	94.0	+5 to -5	2.4	2.7	3.1	—
Use, total	124.9	131.4	144.0	+6 to -6	4.1	4.5	4.8	—
Ending stocks	31.6	25.7	24.6	+5 to -5	1.0	.8	.8	—
Difference unaccounted	+4.2	+6.2	+3.0	—	—	—	—	—
			Dol. per cwt.				Dol. per metric ton	
Price received by farmers	8.16	³ 10.60	³ 10.25-11.50	—	180	³ 234	³ 226-254	—
Price, long-grain milled, S.W. La.	18.41	22.16	⁴ 22.05	—	406	489	⁴ 486	—
Feed grains⁵			Mil. acres				Mil. hectares	
Area								
Planted	122.8	117.6	120.8	—	—	—	—	—
Harvested	104.5	101.2	99.6	—	—	—	—	—
			Metric tons per acres				Metric tons per hectare	
Yield per harvested unit	2.08	2.31	1.93	—	—	—	—	—
			Mil. short tons				Mil. metric tons	
Beginning stocks	—	—	—	—	41.2	45.9	51.9	—
Production	—	—	—	—	217.4	233.9	192.3	+3 to -3
Imports	—	—	—	—	.3	.3	.3	—
Supply, total	—	—	—	—	258.9	280.0	244.5	+3 to -3
Feed	—	—	—	—	133.1	135.9	126.5	+9 to -9
Food, seed, and industrial uses	—	—	—	—	19.7	20.9	23.2	+1 to -1
Domestic, total	—	—	—	—	152.8	156.8	149.7	+9 to -9
Exports	—	—	—	—	60.2	71.3	74.2	+6 to -6
Use, total	—	—	—	—	213.0	228.1	223.9	+13 to -13
Ending stocks	—	—	—	—	45.9	51.9	20.6	+7 to -4

See footnotes at end of table.

Supply and utilization of major crops¹ —Continued

	Domestic measure ²				Metric measure ²			
	1978/79	1979/80 Estimated	1980/81		1978/79	1979/80 Estimated	1980/81	
			Projected	Probable variability*			Projected	Probable variability*
Corn:								
	Mil. acres				Mil. hectares			
Area								
Planted	80.1	80.0	83.5	—	31.8	—	—	—
Harvested	70.3	71.0	71.2	—	27.6	—	—	—
	Bu. per acre				Metric tons per hectare			
Yield per harvested unit	100.8	109.4	90.8	—	6.03	—	—	—
	Mil. bu.				Mil. metric tons			
Beginning stocks	1,104	1,286	1,597	—	28.0	32.7	40.6	—
Production	7,087	7,764	6,461	+135 to -135	180.0	197.2	164.1	—
Imports	1	1	1	—	(6)	(6)	—	—
Supply, total	8,192	9,051	8,059	+135 to -135	208.1	229.9	204.7	—
Feed	4,198	4,396	4,200	+300 to -300	106.6	111.7	106.7	—
Food, seed, and industrial uses	675	625	715	+25 to -25	14.6	15.8	18.2	—
Domestic, total	4,773	5,021	4,915	+315 to -315	121.2	127.6	124.9	—
Exports	2,133	2,433	2,600	+200 to -200	54.2	61.8	66.0	—
Use, total	6,906	7,454	7,515	+450 to -450	175.4	189.3	190.9	—
Ending stocks	1,286	1,597	544	+200 to -200	32.7	40.6	13.8	—
	Dol. per bu.				Dol. per metric ton			
Price received by farmers	2.25	³ 2.50	³ 3.35-3.76	—	89	³ 98	³ 132-148	—
Price, Chi., No. 2 yellow	2.54	2.81	³ 3.43	—	100.0	⁴ 110.63	⁴ 135.03	—
Soybeans:								
	Mil. acres				Mil. hectares			
Area								
Planted	54.4	71.6	70.3	—	26.1	29.0	28.4	—
Harvested	63.3	70.5	66.9	—	25.6	28.5	27.8	—
	Bu. per acre				Metric tons per hectare			
Yield per harvested unit	29.5	32.2	26.5	—	1.98	2.17	1.84	—
	Mil. bu.				Mil. metric tons			
Beginning stocks	161	174	359	—	4.4	4.8	9.8	—
Production	1,870	2,268	1,775	+50 to -50	50.9	61.7	48.3	+1.4 to -1.4
Supply, total	2,031	2,442	2,134	+50 to -50	55.3	66.5	58.1	+1.4 to -1.4
Crushings	1,018	1,123	1,040	+50 to -50	27.7	30.6	28.3	+1.4 to -1.4
Exports	739	875	825	+50 to -50	20.1	23.8	22.5	+1.4 to -1.4
Seed, feed, and residual	100	85	89	—	2.7	2.3	2.4	—
Use, total	1,857	2,083	1,954	+75 to -75	50.5	56.7	53.2	+2.0 to -2.0
Ending stocks	174	359	180	+75 to -75	4.8	9.8	4.9	+2.0 to -2.0
	Dol. per bu.				Dol. per metric ton			
Price received by farmers	6.66	³ 6.25	³ 8.60	+1.25 to -1.25	245	³ 230	³ 315	+46 to -46
Price, Chi., No. 1 yellow	7.08	6.46	⁴ 7.97	—	260.14	237.36	⁴ 292.84	—
Soybean oil:								
	Mil. lb.				Mil. metric tons			
Beginning stocks	729	776	1,200	—	.33	.35	.54	—
Production	11,323	12,105	11,232	+550 to -550	5.14	5.49	5.10	+249 to -249
Supply, total	12,052	12,881	12,432	+550 to -550	5.47	5.84	5.64	+249 to -249
Domestic	8,942	8,991	9,150	+500 to -500	4.06	4.08	4.15	+227 to -227
Exports	2,334	2,690	2,400	+150 to -150	1.06	1.22	1.09	+68 to -68
Use, total	11,276	11,681	11,550	+500 to -500	5.12	5.30	5.24	+227 to -227
Ending stocks	776	1,200	882	+200 to -200	.35	.54	.42	+91 to -91
	Cts. per lb.				Cts. per kilogram			
Price, crude, Decatur	27.4	24.3	28.0	+5.0 to -5.0	604	540	617	+110 to -110
Soybean meal:								
	Thou. short tons				Mil. metric tons			
Beginning stocks	243	267	225	—	.22	.24	.20	—
Production	24,354	27,104	24,805	+1,200 to -1,200	22.09	24.59	22.50	+1,089 to -1,089
Supply, total	24,597	27,371	25,030	+1,200 to -1,200	22.31	24.83	22.70	+1,089 to -1,089
Domestic	17,720	19,238	18,200	+1,000 to -1,000	16.08	17.45	16.61	+907 to -907
Exports	6,610	7,908	6,580	+400 to -400	6.00	7.17	5.97	+363 to -363
Use, total	24,330	27,146	24,780	+1,000 to -1,000	22.08	24.62	22.48	+907 to -907
Ending stocks	267	225	250	+50 to -50	.24	.20	.29	+45 to -45
	Dol. per short ton				Dol. per metric ton			
Price, bulk, Decatur, 44%	190.10	181.90	250.00	+35 to -35	210	198	276	+39 to -39

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

	Domestic measure ²				Metric measure ²			
			1980/81				1980/81	
	1978/79	1979/80 Estimated	Projected	Probable variability*	1978/79	1979/80 Estimated	Projected	Probable variability*
Cotton:⁷								
			Mil. acres				Mil. hectares	
Area								
Planted	13.4	13.9	14.4	—	5.41	5.64	5.81	—
Harvested	12.4	12.8	13.2	—	5.01	5.19	5.34	—
			Lb. per acre				Metric tons per hectare	
Yield per harvested unit	421	548	408	—	.47	.61	.46	—
			Mil. 480-lb. bales				Mil. metric tons	
Beginning stocks ⁸	5.3	4.0	3.0	—	1.16	.87	.65	—
Production	10.9	14.6	11.2	+0.4 to -0.4	2.36	3.18	2.44	+0.09 to -.09
Supply, total ⁹	16.2	18.6	14.3	+0.4 to -0.4	3.53	4.05	3.11	+0.09 to -.09
Mil. use	6.4	6.5	5.9	+0.4 to -0.4	1.39	1.42	1.28	+0.09 to -.09
Exports	6.2	9.2	5.7	+0.8 to -0.8	1.35	2.00	1.24	+0.17 to -.17
Use, total	12.6	15.7	11.6	+1.0 to -1.0	2.72	3.42	2.53	+0.22 to -.22
Difference unaccounted ¹⁰3	.1	.1	—	.07	.02	.02	—
Ending stocks	^a 4.0	3.0	2.8	+0.8 to -0.5	^a .87	.65	.61	+0.17 to -.11
			Cts. per lb.				Cts per kilogram	
Price received by farmers	58.4	¹¹ 62.6	—	—	1.29	¹¹ 1.38	—	—
Price, SLM, 1-1/16 in., spot	61.6	71.5	^a 86.3	—	134.1	155.7	^a 187.90	—

¹ Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, and soybean oil and meal. ² Conversion factors: Hectare (ha.)=2.471 acres; and 1 metric ton=2,204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. ³ Season average estimate. ⁴ Average for beginning of marketing year through October 1980. ⁵ Corn, sorghum, oats, and barley. ⁶ Less than 0.05. ⁷ Upland and extra long staple. ⁸ Based on Census Bureau data. ⁹ Includes imports. ¹⁰ Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution. ¹¹ Season average farm price.

*Reflects the "root mean square error" and/or "standard error of estimate" from trend and judgement. Chances are about 2 out of 3 that the outcome will fall within the indicated ranges.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	Annual			1980						
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Rail freight rate index ¹										
All products (1969=100)	199.1	213.0	243.4	263.2	279.7	282.3	291.1	291.5	298.5	299.0
Farm products (1969=100)	191.3	204.9	235.0	256.1	263.9	266.4	274.3	275.9	281.1	282.8
Grain (Dec. 1978=100)	n.a.	n.a.	106.9	117.8	123.5	124.4	129.9	130.4	132.9	133.6
Food products (1969=100)	195.3	210.0	239.5	260.4	276.2	278.9	290.7	290.5	300.0	300.0
Rail carloadings of grain (thou. cars) ²	23.9	25.8	27.5	32.4	23.6	28.3	32.6	32.9	32.1	34.8
Barge shipments of grain (mil. bu.) ³	29.3	31.3	31.2	39.7	33.0	42.7	47.7	45.0	41.9	42.6
Fresh fruit and vegetable shipments										
Rail (thou. cwt.) ^{4,5}	1,552	915	806	909	1,223	1,709	1,381	858	1,085	1,211
Truck (thou. cwt.) ^{4,5}	6,596	7,322	7,558	6,827	8,403	9,402	7,843	6,785	6,759	7,032

¹ Department of Labor, Bureau of Labor Statistics. ² Weekly average; from Association of American Railroads. ³ Weekly average; from Agricultural Marketing Service, USDA. ⁴ Preliminary data for 1980. ⁵ Typical truck loads are about 40,000 pounds and average railcar loads in 1975 were about 60,000 pounds.

General Economic Data

Gross national product and related data

	Annual			1979				1979				1980		
	1977	1978	1979	IV	I	II	III	IV	I	II	III	I	II	III
\$ Bil. (Quarterly data seasonally adjusted at annual rates) ^a														
Gross national product ¹	1,899.6	2,127.6	2,368.8	2,235.2	2,292.1	2,329.8	2,396.6	2,456.9	2,520.8	2,521.3	2,586.5			
Personal consumption expenditures	1,210.0	1,350.8	1,509.8	1,415.4	1,454.2	1,475.9	1,528.6	1,580.4	1,629.6	1,626.6	1,683.3			
Durable goods	178.8	200.3	213.0	212.1	213.8	208.7	213.4	216.2	220.2	195.7	208.5			
Nondurable goods	481.3	530.6	596.9	658.1	671.1	681.2	604.7	630.7	652.0	654.1	665.8			
Clothing and shoes	82.4	91.2	99.2	96.8	95.5	96.9	101.0	103.6	103.9	104.1	107.3			
Food and beverages	246.7	271.7	301.9	283.9	292.9	296.7	303.1	316.6	322.6	325.8	334.9			
Services	549.8	619.8	699.8	645.1	669.3	686.0	710.6	733.6	757.3	776.9	808.7			
Gross private domestic investment	303.3	351.5	387.2	370.5	373.8	395.4	392.3	387.2	387.7	368.5	346.4			
Fixed investment	281.3	329.1	369.0	349.8	354.6	361.9	377.8	381.7	383.0	357.1	365.2			
Nonresidential	189.4	221.1	254.9	236.1	243.4	249.1	261.8	265.2	272.6	268.2	270.9			
Residential	91.9	108.0	114.1	113.7	111.2	112.9	116.0	116.4	110.4	88.9	94.2			
Change in business inventories	21.9	22.3	18.2	20.6	19.1	33.4	14.6	5.8	4.7	11.4	-16.8			
Net exports of goods and services	-9.9	-10.3	-4.6	-4.5	4.0	-8.1	-2.3	-11.9	-13.6	-2.2	21.3			
Exports	176.9	207.2	267.5	224.9	238.6	243.7	267.3	280.4	308.1	307.0	313.2			
Imports	185.8	217.5	262.1	229.4	234.4	251.9	269.6	292.4	321.7	309.2	291.9			
Government purchases of goods and services	396.2	435.6	476.4	453.8	460.1	466.6	477.8	501.2	517.2	528.3	533.6			
Federal	144.4	152.6	166.6	159.0	163.6	161.7	182.9	178.4	188.2	193.3	191.4			
State and local	251.8	283.0	309.8	294.8	296.5	304.9	314.9	322.8	331.0	336.0	342.2			
1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates) ^a														
Gross national product	1,340.5	1,399.2	1,431.6	1,426.6	1,430.6	1,422.3	1,433.3	1,440.3	1,444.7	1,408.6	1,411.7			
Personal consumption expenditures	861.7	900.8	924.5	920.3	921.8	915.0	926.9	935.4	938.6	910.8	921.9			
Durable goods	138.2	146.7	147.1	162.1	160.2	144.8	146.9	146.7	145.4	127.4	132.9			
Nondurable goods	332.7	343.3	349.1	361.9	348.1	344.1	349.2	355.1	354.1	347.8	347.1			
Clothing and shoes	67.4	72.7	76.5	76.4	75.0	76.0	77.6	78.5	77.5	76.7	77.7			
Food and beverages	166.6	187.1	168.8	168.6	187.2	166.6	169.3	172.3	173.5	172.3	171.6			
Services	390.8	410.8	428.3	416.3	423.5	426.1	429.9	433.6	437.0	435.6	442.0			
Gross private domestic investment	200.1	214.3	216.2	217.4	217.2	221.7	214.2	207.7	203.2	188.6	179.5			
Fixed investment	186.9	200.2	205.5	205.5	204.9	203.5	207.1	206.3	202.9	188.0	185.7			
Nonresidential	129.3	140.1	148.8	145.5	147.2	146.9	150.7	150.5	151.2	145.3	143.6			
Residential	57.7	60.1	56.7	60.0	57.7	56.7	56.6	55.8	51.7	40.7	42.2			
Change in business inventories	13.1	14.1	9.7	12.0	12.3	18.1	7.1	1.4	.3	2.6	-6.2			
Net exports of goods and services	10.3	11.0	17.6	12.9	17.0	13.2	20.1	20.1	25.0	28.3	32.2			
Exports	98.4	108.9	119.9	113.8	117.0	116.0	122.2	124.3	131.7	128.3	127.8			
Imports	88.2	97.9	102.3	101.0	100.0	102.9	102.1	104.1	106.7	99.9	96.4			
Government purchases of goods and services	268.5	273.2	274.3	276.0	274.7	272.4	273.1	277.1	280.0	280.9	278.0			
Federal	100.6	98.6	99.4	99.3	101.1	98.1	97.4	101.1	104.3	106.7	103.9			
State and local	167.9	174.6	174.9	176.6	173.6	174.3	176.8	176.0	175.7	174.3	174.1			
New plant and equipment expenditures (\$bil.)	135.80	153.82	177.09	163.96	165.94	173.48	179.33	188.95	191.36	193.89	193.17			
Implicit Price deflator for GNP (1972=100)	141.70	152.05	165.46	156.68	160.22	163.81	167.20	170.68	174.48	178.99	183.23			
Disposable income (\$bil.)	1,305.1	1,458.4	1,624.3	1,524.8	1,672.2	1,601.7	1,640.0	1,683.1	1,737.4	1,756.0	1,810.7			
Disposable income (1972 \$bil.)	929.5	972.6	994.8	991.5	996.6	993.0	993.4	996.2	998.6	983.1	991.7			
Per capita disposable income (\$)	6,017	6,672	7,367	6,955	7,157	7,276	7,430	7,606	7,834	7,900	8,121			
Per capita disposable income (1972 \$)	4,285	4,449	4,512	4,522	4,536	4,510	4,501	4,502	4,502	4,423	4,448			
U.S. population, tot, incl. military abroad (mil.)	216.9	218.7	220.6	219.6	219.8	220.2	220.8	221.4	221.9	222.3	223.0			
Civilian population (mil.)	214.7	216.6	218.6	217.4	217.7	218.2	218.7	219.3	219.8	220.3	220.9			

See footnotes at end of next table.

Selected monthly indicators

	Annual			1979		1980				
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct p
Monthly data seasonally adjusted except as noted										
Industrial production, total ² (1967=100)	138.2	146.1	152.5	152.7	144.0	141.5	140.4	141.8	143.7	146.0
Manufacturing (1967=100)	138.4	146.8	153.6	153.7	143.4	140.3	139.1	140.4	142.8	145.3
Durable (1967=100)	130.0	139.7	146.4	146.0	133.3	129.9	128.3	129.3	131.5	134.6
Nondurable (1967=100)	150.5	156.9	164.0	164.8	158.0	155.3	154.7	156.4	159.3	160.9
Leading economic indicators ¹ * (1967=100)	136.4	141.9	140.3	137.8	122.7	123.9	128.4	131.1	135.1	136.3
Employment ⁵ (Mil. persons)	90.5	94.4	96.9	97.5	97.0	96.5	97.0	97.0	97.2	97.2
Unemployment rate ⁵ (%)	7.0	6.0	5.8	5.9	7.8	7.7	7.8	7.6	7.5	7.6
Personal income ² (\$bil. annual rate)	1,531.6	1,717.4	1,924.2	1,981.2	2,079.0	2,090.4	2,124.4	2,143.0	2,166.5	2,189.9
Hourly earnings in manufacturing ¹ * (\$	5.67	6.17	6.69	6.82	7.13	7.20	7.29	7.30	7.42	7.48
Money stock (daily average) ³ (\$bil.)	⁷ 328.4	⁷ 351.6	⁷ 369.7	366.6	367.8	371.3	373.7	379.7	383.7	386.6
Time and savings deposits (daily average) ³ (\$bil.)	⁷ 522.5	⁷ 582.4	⁷ 624.8	618.4	649.5	649.3	649.6	652.3	657.5	663.2
Three-month Treasury bill rate ² (%)	6.265	7.221	10.041	11.472	9.150	6.995	8.126	9.259	10.321	11.580
Aaa corporate bond yield (Moody's) ⁶ * (%)	8.02	8.73	9.63	10.13	10.99	10.58	11.07	11.64	12.02	12.31
Interest rate on new home mortgages ⁶ * (%)	9.01	9.54	10.8	11.2	13.69	12.66	12.48	12.25	12.35	12.60
Housing starts, private (including farm) (thou.)	1,987.1	2,020.3	1,745.1	1,710	906	1,223	1,265	1,429	1,545	1,569
Auto sales at retail, total ¹ (mil.)	11.2	11.3	10.7	9.4	7.4	7.4	8.9	8.9	8.3	9.1
Business sales, total ¹ (\$bil.)	224.8	254.3	288.4	298.5	292.5	294.2	304.2	308.0	317.6	—
Business inventories, total ¹ (\$bil.)	337.4	380.6	426.8	422.7	445.8	447.0	449.5	452.0	454.5	—
Sales of all retail stores (\$bil.) ¹⁰	60.3	66.6	73.7	75.6	74.6	76.0	78.3	78.8	80.0p	79.9
Durable goods stores (\$bil.)	20.7	23.2	25.6	25.7	22.5	23.7	25.1	24.8	25.8p	25.6
Nondurable goods stores (\$bil.)	39.1	43.4	48.1	49.9	52.0	52.8	53.2	53.9	54.2p	54.3
Food stores (\$bil.)	13.2	14.5	16.0	16.4	17.0	17.4	17.7	17.9	18.2	18.2
Eating and drinking places (\$bil.)	6.3	5.8	6.3	6.4	6.6	6.6	6.6	6.6	6.8	6.8
Apparel and accessory stores (\$bil.)	2.9	3.1	3.6	3.6	3.7	3.8	3.8	3.9	3.8p	3.8

¹ Department of Commerce. ² Board of Governors of the Federal Reserve System. ³ Data changed to reflect new Federal Reserve definitions. ⁴ Composite index of 12 leading indicators. ⁵ Department of Labor, Bureau of Labor Statistics. ⁶ Not seasonally adjusted. ⁷ December of the year listed. ⁸ Moody's Investors Service. ⁹ Federal Home Loan Board. ¹⁰ Adjusted for seasonal variations, holidays, and trading day differences. p Preliminary.

U.S. Agricultural Trade

U. S. agricultural exports

	October-September				September			
	1978/79	1979/80	1978/79	1979/80	1979	1980	1979	1980
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excluding poultry	—	—	160,007	156,126	—	—	11,825	19,509
Meat and preps., excluding poultry (mt)	393	411	844,111	870,703	34	32	76,253	68,995
Dairy products, excluding eggs	—	—	116,128	156,308	—	—	10,393	18,833
Poultry and poultry products	—	—	368,130	546,487	—	—	32,604	48,312
Grains and preparations	—	—	12,609,625	17,167,829	—	—	1,374,540	1,654,832
Wheat and wheat flour (mt)	32,217	36,948	4,775,303	6,554,863	3,634	3,813	622,817	676,946
Rice, milled (mt)	2,396	2,955	884,189	1,170,161	149	270	59,553	114,886
Feed grains, excluding products (mt)	59,505	71,159	6,657,587	9,101,633	5,364	6,793	665,084	826,249
Other	—	—	292,546	341,172	—	—	27,086	36,761
Fruits, nuts, and preparations	—	—	1,491,017	2,086,586	—	—	154,536	179,823
Vegetables and preparations	—	—	756,246	954,233	—	—	49,569	79,713
Sugar & preps., including honey	—	—	113,480	289,768	—	—	12,490	32,182
Coffee, tea, cocoa, spices, etc. (mt)	58	48	226,895	175,773	4	4	17,583	18,041
Feeds and fodders	—	—	2,188,349	2,810,306	—	—	152,184	239,780
Protein meal (mt)	6,291	7,599	1,414,638	1,717,514	365	543	86,287	132,971
Beverages excl. distilled alcohol (Lit)	71,861	101,746	27,769	44,810	4,202	18,330	1,761	8,303
Tobacco, unmanufactured (mt)	287	283	1,292,243	1,348,556	14	16	63,346	75,710
Hides, skins, and furskins	—	—	1,302,152	1,116,270	—	—	85,379	54,445
Oilseeds	—	—	5,994,234	6,793,761	—	—	329,798	368,320
Soybeans (mt)	20,194	23,833	5,444,382	6,163,625	1,112	1,127	313,687	313,089
Wool, unmanufactured (mt)	3	3	34,363	28,525	(¹)	(¹)	2,527	1,506
Cotton, unmanufactured (mt)	1,395	2,047	1,909,043	3,033,278	102	94	137,198	151,478
Fats, oils, and greases (mt)	1,310	1,554	704,788	784,366	119	122	69,256	59,203
Vegetable oils and waxes (mt)	1,563	1,854	1,092,993	1,244,285	120	146	92,899	100,153
Rubber and allied gums (mt)	17	18	19,020	24,750	1	2	1,863	2,427
Other	—	—	724,829	849,828	—	—	58,685	64,609
Total	—	—	31,975,422	40,480,548	—	—	2,734,888	3,236,174

¹ Less than 500.

U.S. agricultural exports by regions

	October-September		September		Change from year earlier	
	1978/79	1979/80	1979	1980	October-Sept.	Sept.
	\$ Mil.				PCT	
Western Europe	9,391	12,033	716	777	+28	+9
European Community	7,354	9,195	544	609	+25	+12
Other Western Europe	2,037	2,838	172	168	+39	-2
Eastern Europe and USSR	3,530	3,695	387	149	+5	-61
Eastern Europe	1,462	2,281	142	147	+56	+4
USSR	2,068	1,414	245	2	-32	-99
Asia	11,596	14,129	882	1,225	+22	+39
West Asia	1,464	1,320	134	103	-10	-23
South Asia	653	795	69	65	+22	-6
China, Mainland	884	1,937	53	199	+191	+275
Japan	5,061	5,749	388	488	+14	+26
Korea	1,387	1,618	74	144	+17	+95
Taiwan	977	1,109	67	92	+14	+61
Other East and Southeast Asia	1,170	1,601	107	134	+37	+26
Latin America and Caribbean	3,372	5,478	369	563	+62	+53
Brazil	445	698	65	70	+57	+8
Mexico	972	2,003	112	228	+106	+104
Caribbean	558	711	57	67	+27	+18
Central America	251	385	23	33	+53	+43
Venezuela	448	616	49	55	+38	+12
Canada, excluding transshipments	1,669	1,750	151	165	+5	+9
Canadian transshipments	741	1,025	88	135	+38	+53
Africa	1,513	2,181	126	209	+44	+66
North Africa	816	1,172	64	105	+44	+64
Other Africa	697	1,009	62	104	+45	+68
Oceania	162	189	15	13	+17	-13
Total ²	31,975	40,481	2,735	3,236	+27	+18

¹ Not adjusted for transshipments. ² Totals may not add due to rounding.

Prices of principal U.S. agricultural trade products

	Annual			1979		1980				
	1977	1978	1979	Oct	May	June	July	Aug	Sept	Oct
Export commodities:										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	2.85	3.56	4.45	4.97	4.45	4.32	4.63	4.76	4.95	5.23
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	2.49	2.66	3.01	3.15	2.86	2.91	3.37	3.67	3.67	3.67
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.30	2.48	2.85	3.07	3.00	3.01	3.44	3.74	3.71	3.70
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	7.38	7.04	7.59	6.94	6.36	6.35	7.20	8.00	8.52	8.49
Soybean oil, Decatur (cts./lb.)	23.69	25.79	27.59	27.35	20.74	21.65	26.1	25.9	25.99	24.49
Soybean meal, Decatur (\$/ton)	192.17	170.71	191.08	—	165.78	161.52	187.90	207.40	235.00	243.34
Cotton, 10 market avg. spot (cts./lb.)	60.48	58.31	61.81	62.88	78.27	72.41	79.0	85.6	87.5	85.58
Tobacco, avg. price of auction (cts./lb.)	114.24	121.88	132.15	131.40	139.15	139.15	138.64	138.64	148.46	155.20
Rice, f.o.b. mill, Houston (\$/cwt.)	16.96	20.61	20.25	22.30	23.00	21.00	21.00	21.00	21.00	21.00
Inedible tallow, Chicago (cts./lb.)	17.13	19.74	23.45	22.14	17.90	16.62	18.80	19.00	19.40	17.50
Import commodities:										
Coffee, N.Y. spot (cts./lb.)	2.41	1.66	1.74	2.08	1.85	1.82	1.69	1.50	1.45	1.32
Sugar, N.Y. spot (cts./lb.)	10.99	13.92	15.61	16.93	31.89	32.09	28.75	33.13	35.93	41.69
Cow meat, f.o.b. port of entry (cts./lb.)	68.42	97.17	130.98	129.70	110.50	113.89	124.96	132.61	129.15	129.83
Rubber, N.Y. spot (cts./lb.)	41.59	50.19	64.57	67.94	68.78	67.94	67.71	69.20	75.50	80.20
Cocoa beans, N.Y. (\$/lb.)	1.72	1.53	1.44	1.35	1.14	1.09	1.06	.99	1.04	1.01
Bananas, f.o.b. port of entry (\$/40-lb. box)	5.01	5.20	5.91	5.58	8.06	6.21	6.38	6.21	6.40	n.a.
Canned Danish hams, ex-warehouse N.Y. (\$/lb.)	1.85	2.02	2.01	1.90	1.83	1.79	1.83	1.83	1.93	2.06

n.a. = not available.

U.S. agricultural imports

	October-September				September			
	1978/79	1979/80	1978/79	1979/80	1979	1980	1979	1980
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Live animals, excluding poultry	—	—	355,029	466,901	—	—	22,129	32,590
Meat and preparations, excl. poultry (mt) . . .	1,007	912	2,475,623	2,277,476	64	60	156,684	151,746
Beef and veal (mt)	807	695	1,892,906	1,752,163	50	44	119,096	111,158
Pork (mt)	164	187	499,188	454,364	11	14	30,828	35,705
Dairy products, excluding eggs	—	—	388,218	461,539	—	—	33,097	40,906
Poultry and poultry products	—	—	46,253	70,372	—	—	2,960	5,301
Grains and preparations	—	—	225,708	295,646	—	—	18,473	30,387
Wheat and flour (mt)	2	3	545	617	(¹)	(¹)	58	52
Rice (mt)	2	3	1,429	1,919	(¹)	1	37	478
Feed grains (mt)	193	191	23,005	30,576	6	18	837	3,347
Other	—	—	200,729	262,534	—	—	17,541	26,510
Fruits, nuts and preparations	—	—	1,283,744	1,229,973	—	—	87,444	102,862
Bananas, fresh (mt)	2,320	2,333	378,130	406,989	176	233	29,469	39,635
Vegetables and preparations	—	—	778,296	852,362	—	—	36,752	42,465
Sugar and preparations, incl. honey	—	—	1,089,251	1,843,077	—	—	85,997	188,939
Sugar, cane or beet (mt)	4,184	3,920	851,621	1,619,379	324	285	69,929	172,284
Coffee, tea, cocoa, spices, etc. (mt)	1,754	1,835	6,529,222	5,750,716	136	98	476,331	307,215
Coffee, green (mt)	1,193	1,105	3,643,844	4,165,693	98	64	357,451	217,129
Cocoa beans (mt)	190	140	646,427	398,624	6	8	17,655	20,008
Feeds and fodders	—	—	78,316	86,577	—	—	6,055	7,444
Protein meal (mt)	18	31	3,144	5,144	1	2	(¹)	(¹)
Beverages, excl. distilled alcohol (hl)	8,320	9,185	912,081	1,034,578	690	859	77,913	99,773
Tobacco, unmanufactured (mt)	165	169	399,174	401,815	15	12	34,854	30,870
Hides, skins, and furskins	—	—	315,631	227,441	—	—	20,041	19,484
Oilseeds	—	—	57,910	52,461	—	—	3,573	3,439
Soybeans (mt)	(¹)	(¹)	47	222	(¹)	(¹)	(¹)	(¹)
Wool, unmanufactured (mt)	28	31	84,934	108,446	2	2	6,449	8,205
Cotton, unmanufactured (mt)	16	22	6,898	8,766	1	1	374	772
Fats, oils, and greases (mt)	10	8	6,874	6,921	1	1	737	489
Vegetable oils and waxes (mt)	745	649	607,295	659,803	55	44	55,463	32,871
Rubber and allied gums (mt)	798	629	886,504	834,432	60	58	77,316	76,626
Other	—	—	659,781	731,788	—	—	62,024	60,710
Total	—	—	16,186,742	17,300,089	—	—	1,263,566	1,242,194

¹ Less than 500. Note: 1 metric ton (mt) = 2,204.622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

Trade balance

	October-September		September	
	1978/79	1979/80	1979	1980
	\$ Mil.			
Agricultural exports ¹	31,975	40,481	2,735	3,236
Nonagricultural exports ²	135,501	169,563	11,931	14,264
Total exports ³	167,476	210,044	14,666	17,500
Agricultural imports ³	16,187	17,300	1,284	1,242
Nonagricultural imports ⁴	178,464	220,857	16,853	17,828
Total imports	194,651	238,157	18,117	19,070
Agricultural trade balance	15,788	23,181	1,471	1,994
Nonagricultural trade balance	-42,963	-51,294	-4,922	-3,564
Total trade balance	-27,175	-28,113	-3,451	-1,570

¹ Domestic exports including Department of Defense shipments (F.A.S. value). ² Domestic and foreign exports including Department of Defense shipments (F.A.S. value). ³ Imports for consumption (Customs value). ⁴ General imports (Customs value).

World Agricultural Production

World supply and utilization of major crops

	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81 ¹
	Mil. units						
Wheat:							
Area (hectare)	219.9	224.9	232.5	225.8	226.6	226.4	234.2
Production (metric ton)	357.3	350.6	415.6	384.0	447.9	419.8	428.1
Exports (metric ton) ²	63.9	66.7	63.1	73.1	71.9	85.4	90.0
Consumption (metric ton) ³ . . .	363.8	351.7	379.6	398.6	430.3	442.1	435.4
Ending stocks (metric ton) ⁴ . .	63.9	62.8	98.8	84.1	101.7	79.4	72.1
Coarse grains:							
Area (hectare)	343.4	350.7	350.9	347.9	347.0	344.5	344.0
Production (metric ton)	628.5	645.3	701.9	702.8	747.2	727.1	705.4
Exports (metric ton) ²	63.4	76.4	82.5	83.9	89.9	100.4	103.0
Consumption (metric ton) ³ . . .	634.7	645.9	682.8	694.5	741.9	728.9	738.7
Ending stocks (metric ton) ⁴ . .	57.3	56.5	75.6	83.9	89.2	87.4	54.1
Rice, milled:							
Area (hectare)	137.8	142.8	141.6	143.8	143.4	141.7	145.1
Production (metric ton)	227.3	243.1	236.2	250.0	259.5	252.5	261.5
Exports (metric ton) ⁴	7.8	9.0	10.5	9.5	11.8	12.7	12.8
Consumption (metric ton) ³ . . .	228.9	235.5	237.5	244.7	254.7	256.0	260.7
Ending stocks (metric ton) ⁴ . .	11.3	18.9	17.6	22.9	27.5	24.0	24.9
Total grains:							
Area (hectare)	701.1	718.4	725.0	717.5	717.0	712.6	723.3
Production (metric ton)	1,213.1	1,239.0	1,353.7	1,336.8	1,454.6	1,399.4	1,395.0
Exports (metric ton) ²	135.1	152.1	156.1	166.5	173.6	198.5	205.8
Consumption (metric ton) ³ . . .	1,227.4	1,233.1	1,299.9	1,337.8	1,426.9	1,427.0	1,434.8
Ending stocks (metric ton) ⁴ . .	132.5	138.2	192.0	190.5	218.4	190.8	151.1
Oilseeds and meals:^{5 6}							
Production (metric ton)	65.1	73.3	67.0	78.6	83.4	96.0	86.2
Trade (metric ton)	27.7	33.8	33.9	39.1	41.0	46.3	45.6
Fats and oils:⁶							
Production (metric ton)	46.2	49.3	47.8	52.5	54.5	58.4	56.4
Trade (metric ton)	14.0	16.1	16.9	18.3	19.3	20.8	20.9
Cotton:							
Area (hectare)	33.4	29.8	30.8	32.7	32.1	32.2	33.0
Production (bale)	64.3	54.0	57.4	64.1	60.1	55.6	63.5
Exports (bale)	17.4	19.1	17.6	19.2	19.8	22.7	20.4
Consumption (bale)	58.7	61.2	60.9	61.0	63.0	65.5	64.6
Ending stocks (bale)	30.9	24.0	20.7	24.3	21.7	21.3	20.4

¹ Forecast. ² Excludes intra-EC trade. ³ Where stocks data not available (excluding USSR), consumption includes stock changes. ⁴ Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level.

⁵ Soybean meal equivalent. ⁶ Calendar year data. 1975 data corresponds with 1974/75. 1976 data with 1975/76, etc.

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